



June 30, 2016

Submitted electronically to James.N.Helfinstine@uscg.mil

Rear Admiral Michael F. McCallister
17th District Commander
United States Coast Guard
P.O. Box 25517
Juneau, AK 99802-5517

Subject: Ambler Mining District Industrial Access Project
U.S. Coast Guard Bridge Permit Application

Dear Sir:

The Alaska Industrial Development and Export Authority (AIDEA) is proposing the Ambler Mining District Industrial Access Project, from the Dalton Highway to the Ambler Mining District in Northwest Alaska. AIDEA submitted a consolidated Transportation and Utility System right-of-way (ROW) application (SF299) under the Alaska National Interest Lands Conservation Act (ANILCA) to your office, the National Park Service, the Bureau of Land Management, the Federal Highways Administration and the U.S. Army Corps of Engineers on November 24, 2015. AIDEA received your response to that submittal on January 22, 2016 and a subsequent approval of an extension to April 30, 2016 to respond to agency requests for additional information under ANILCA.

In accordance with ANILCA provisions governing the processing of this consolidated application [16 U.S.C. § 1104], AIDEA respectfully requests the USCG deem this revised submittal sufficient for purposes of allowing the required ANILCA application process to proceed. AIDEA submits the information contained in this revised submittal contains sufficient information for the USCG to make this determination. This will facilitate the other above-named agencies to proceed with the ANILCA process for environmental review and route determination under ANILCA Sections 201(4) and 1104 [16 U.S.C. §§ 410hh (4), 3164]. AIDEA will continue to supplement this application as additional information relating to the final route determination is provided from the above-named agencies and as needed pursuant to 33 C.F.R. § 115.50.

A. Applicant Information:

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B. Consultant/Agent Information:

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C. Proposed Bridges:

- 1) The lead Federal agency has yet to be officially determined, but it is anticipated it will be the U.S. Army Corps of Engineers.
- 2) Waterway Names: *See Table 1, Site Specific Information included in Attachment 1.*
- 3) River Location: *See Table 1, Site Specific Information included in Attachment 1.*
- 4) Nearest Community: *See Table 1, Site Specific Information included in Attachment 1.*
- 5) The proposed bridges would be built in support of the Ambler Mining District Industrial Access Road (AMDIAR) being developed by AIDEA. The bridges would be constructed with Precast Concrete Bulb-Tee Girders elevated on a combination of solid wall and column piers.
- 6) Purpose and need of project:

AIDEA is proposing this project to increase job opportunities and encourage the economic growth of the state. Specifically, the purpose of this project is to support mineral resource exploration and development in the Ambler Mining District in northwest Alaska.

Although AIDEA was established in 1967, the findings leading to the establishment of AIDEA are still true today. AIDEA was established by the State of Alaska to increase job opportunities and encourage the economic growth of the state, and specifically to support development of natural resources. In establishing AIDEA, the State found there were areas of the state with high unemployment rates and that unemployment poses a risk to the health, safety, and general welfare of state residents. The statutes note the state lacks key facilities necessary to permit adequate development of its natural resources to support the balanced growth of its economy, and the expansion of export trade is vital to the health and growth of the state economy.

Natural resource development is a critical component of the Alaska economy, with the minerals industry accounting for over \$4 billion of activity in 2012¹. In 2013, mining provided 9,100 direct and indirect jobs in Alaska. Mining employs residents of more than 80 communities throughout the state and mining wages are some of the highest in

¹ Bloomberg BNA. 2014. Incentives Watch: *Economic Development Director Discusses Alaska's Booming Mining Industry and Exploration Tax Credit*. SALT Talk Blog available at <http://www.bna.com/incentives-watch-economic-b17179885869>. March 19, 2014.

the state. State revenues from mining were almost \$150 million, including royalties, rents, taxes, and payments to state entities such as the Alaska Railroad.

As important as mining is currently, it has the potential to become even more critical to the state economy in the future. Alaska has enormous potential for natural resource development. The state currently ranks fifth in the country in terms of mineral production value. But Alaska is still relatively underexplored and underdeveloped. Alaska's mineral resource potential is typically listed in the top 10 mining jurisdictions worldwide based on its mineral resource potential, as reported in the *Fraser Institute Annual Survey of Mining Companies 2012/2013*. However, The Fraser Institute Annual Survey also notes when it comes to infrastructure, Alaska slips to the lowest ranking in the country and falls well below all other developed countries. As pointed out repeatedly by the Alaska Minerals Commission in their annual reports, infrastructure is vitally important to supporting growth in the mining industry in remote areas of Alaska. Mineral site development in these remote areas, where living costs are very high and economic development opportunities are lacking, provides opportunities for workforce training and development and employment.

The Ambler Mining District in northwest Alaska is one of the areas of highest mineral potential in Alaska. This area has been explored for decades, but the lack of transportation access has made it challenging to bring these high value resource areas into production. The importance of transportation access has been recognized not just by the state but by Congress in the Alaska National Interest Lands Conservation Act (ANILCA). ANILCA Section 201 states:

Congress finds that there is a need for access for surface transportation purposes across the Western (Kobuk River) unit of the Gates of the Arctic National Preserve (from the Ambler Mining District to the Alaska Pipeline Haul Road) and the Secretary shall permit such access in accordance with the provisions of this subsection.

The purpose of this project is to provide transportation access to the Ambler Mining District to support and encourage mineral exploration and development in this highly mineralized area. As described above, mining is a major industry in Alaska and has the potential to continue its strong growth in employment, wages, and income to the State, local governments, and Native Corporations.

As stated by the Alaska Department of Labor and Workforce Development in the May 2013 Alaska Economic Trends publication:

"Alaska's mining industry has been a standout over the last decade for its job and wage growth..."

The public benefits from the project would include:

- Direct employment and wages related to road construction and operation and maintenance activities;

- Indirect employment and wages related to mineral exploration and development in the Ambler Mining District,
- Revenues to local and State government from mineral exploration and development in the District;
- Revenues to Alaska Native Corporations and their shareholders from mineral exploration and development in the District; and
- Opportunities for rural residents to continue to live in their communities while having opportunities to generate income and to possibly create new economic opportunities based on proximity to road access.

Employment in the mining industry has more than doubled over the last ten years. Mining has high average wages and allows workers to live where they prefer and commute to the work site on a rotating schedule. This is especially important for residents of small, rural communities that have few local employment opportunities.

In addition to the employment and wages generated, mining in Alaska paid \$17 million to local governments through taxes or payments in lieu of taxes; \$150 million to the State through rents, royalties, fees and taxes; and \$144 million in payments to Alaska Native corporations.

The operation of Red Dog Mine in northwest Alaska provides insight into the importance of mining in rural Alaska areas. Red Dog has provided over \$1 billion to NANA Regional Corporation (NANA) over its life and it is the largest source of revenue for the Northwest Arctic Borough. The revenues to NANA and the borough are spread throughout the region and the State as NANA revenues are shared with other Native corporations and NANA and borough revenues are used to support social services throughout the borough.

Although the proposed road would have controlled access, local communities would have the potential to hire commercial transportation providers to deliver fuel or freight to staging areas where the communities could access it. Alternatively, local residents could instead form their own companies to provide these services. These opportunities have been discussed with residents in the study area and while not a direct benefit of the project, they are indirect and long-lasting benefits to local communities.

- 7) Estimated Cost: *See Table 1, Site Specific Information included in Attachment 1.*
- 8) Project funding would come from a combination of State and private sources, commonly referred to as P3 (Public-Private Partnership).

D. Legal Authority:

The primary authority to construct the bridge comes under the legislative authority granted by the General Bridge Act of 1946, as amended.

E. International Bridges: N/A

F. Dimensions of Navigation Openings:

For items F1-F6, please see Table 2, Site Specific Information for each proposed bridge included in Attachment 1.

G. Waterway Characteristics:

For items G1-G17, please see Attachment 2, Waterway Characteristics, for each proposed bridge.

H. Existing Bridge: N/A

I. Construction Methodology:

Bridges would be constructed from pre-cast concrete bulb-tee girders with an approximate maximum span length of 140 feet. Bridge spans larger than 140 feet would require the placement of in waterway concrete piers. Bridges would be constructed from each bank following the completion of the approach embankments.

J. Other Agencies with Jurisdiction over the Proposed Project:

- Agency: Department of Interior (DOI): National Park Service and Bureau of Land Management; Department of Transportation: Federal Highways Administration; and Department of Defense: U.S. Army Corps of Engineers
- Permits or type of approvals required for the project: SF-299 Right-of-Way for Transportation and Utility Systems and Facilities on Federal Lands; Section 404 Discharge of Dredged or Fill Material into Waters of the U.S. (USACE); and other permits/reviews are shown in Attachment 1, Table 3.

K. Summary of Environmental Analysis:


- 1) The proposed transportation project is subject to Section 201(4) and Title XI of ANILCA and will be subject to the environmental analysis requirements therein. Environmental information has been submitted to the agencies listed in J. above regarding the potential effects of the project and agency acceptance of this Revised SF299 Consolidated Application will allow the ANILCA environmental review and final route determination to occur.
- 2) We believe the bridges would have minimal impacts with no significant adverse impacts on the human environment. The bridges would be designed to minimize effects on fishery habitats in the waterways crossed and stream crossing permits would be required from the Alaska Department of Fish and Game for any

construction affecting fish-bearing streams. The bridges would also be constructed to allow for continued access on the rivers by providing the clearance required to allow for recreation and subsistence rafts and boats to pass under the bridges. Effects on navigation on the rivers are expected to be minor.

L. Signature Block



Applicant
Mark Davis, Chief Infrastructure Development Officer
Alaska Industrial Development and Export Authority (AIDEA)



Consultant/Agent
Maryellen Tuttle, Project Manager
DOWL

Enclosures: Attachment 1: Tables 1, 2, and 3
Attachment 2: Waterway Characteristics
Appendix 6-A: Figures and Typicals
Appendix 6-B: Consultant/Agency Authorization Letter
Appendix 6-C: Summary of Preliminary Conferences and Early Coordination

To Be Provided Upon Completion of Required ANILCA Environmental Review:

Environmental Evaluation
Navigation Survey
Vessel Impact Assessment
Environment Review Decision Document
Proof of right to build (*ownership of land*)
Extracts of motions from meetings authorizing construction of the proposed bridge
Water Quality Certification (33 U.S.C. 1251)