



# AMBLER MINING DISTRICT ACCESS PROJECT

**WINTER 2017-18**

AIDEA has submitted and the federal agencies have accepted an application for transportation and utility systems and facilities on federal lands (SF-299). The SF-299 begins the process for access to the Ambler Mining District set out in the passage of the Alaska National Interest Lands Conservation Act (ANILCA).

## PROJECT UPDATES:

1. Bureau of Land Management (BLM) filed a Notice of Intent (NOI) in the Federal Register to begin an Environmental Impact Statement (EIS).
2. Scoping comments on the EIS are due by January 31, 2018.
3. BLM Scoping Meetings:  
BLM has been holding scoping meetings in interested communities, including:  
**Allakaket**  
**Anaktuvuk Pass**  
**Alatna**  
**Fairbanks**  
**Wiseman**  
**Anchorage**  
**Kobuk**  
**Ambler**  
**Kotzebue**  
**Shungnak**  
**Evansville/Bettles**  
**Hughes**  
**Huslia**
4. National Park Service (NPS) is preparing ANILCA 201(4)(d) the Environmental and Economic Analysis (EEA).

**“ 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. ”**

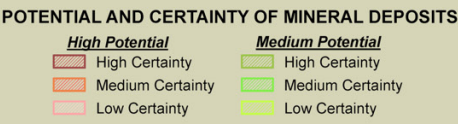
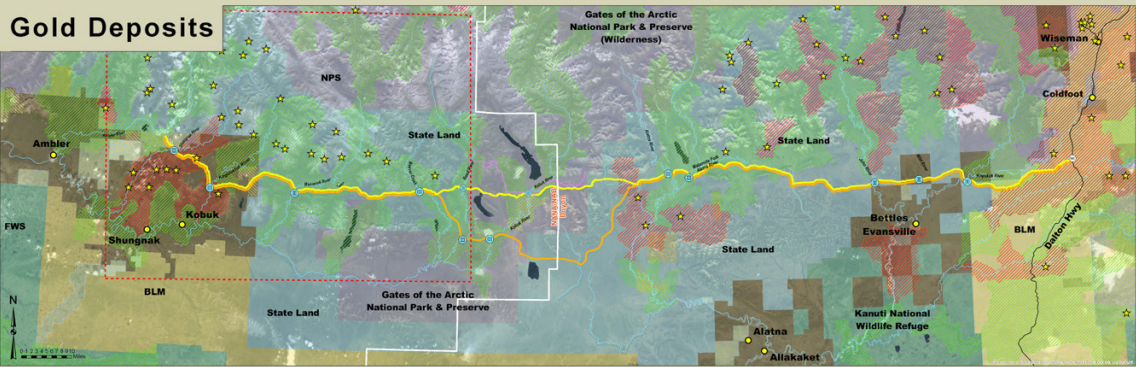
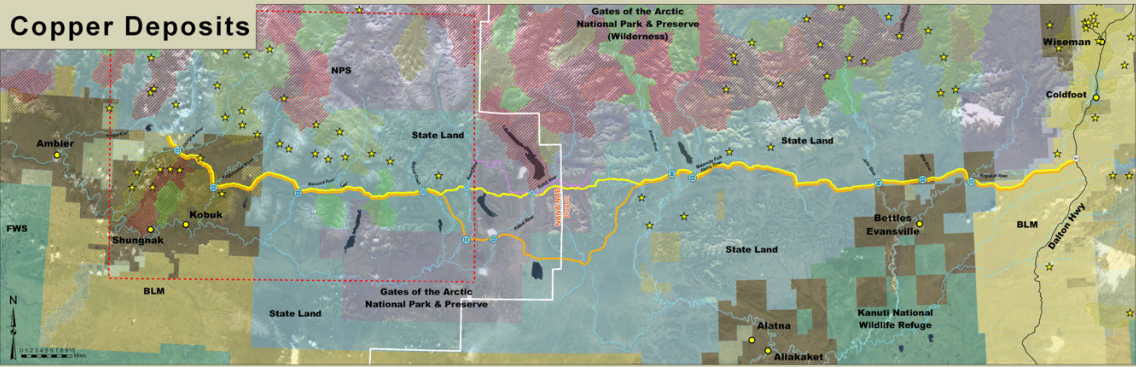
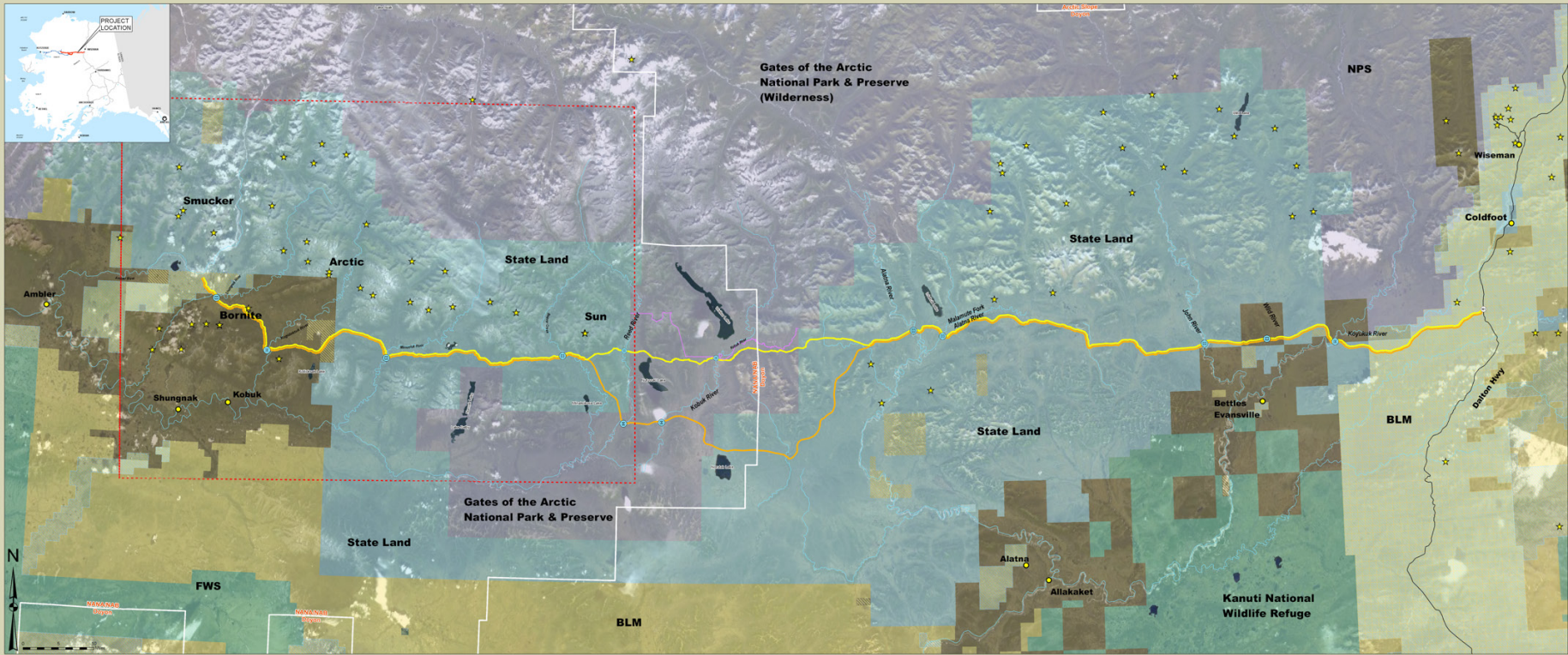
ANILCA, Section 201(4)(b)

The Ambler Mining District is an area with rich mineral resources (see map inside) and has been explored for decades. Access to the district was recognized as needed in ANILCA, which directed the U.S. Departments of Interior and Transportation to select a corridor through Gates of the Arctic National Preserve for a road from the Dalton Highway to the district.

AIDEA, as the state's development finance authority, has experience working with the State of Alaska and private industry to develop needed infrastructure to support industrial and economic development. AIDEA worked with the State of Alaska, federal agencies, industry and landowners to construct the DeLong Mountain Transportation System (DMTS), a port and road system supporting Red Dog Mine in northwest Alaska. The mine has created jobs and provided revenues to the Northwest Arctic Borough (NWAB) and NANA shareholders. DMTS was primarily funded by issuing bonds to finance the project. The Ambler Project will have a similar financing structure, and could provide similar benefits to communities in the area by creating jobs and providing revenues.



# AMBLER MINING DISTRICT INDUSTRIAL ACCESS PROJECT



## PROJECT BENEFITS\*



### ROAD CONSTRUCTION AND OPERATIONS JOBS

An annual average of 486 jobs over the road construction period.

Up to 68 full-time jobs annually for road operations and maintenance.



### MINES (4 MINES) CONSTRUCTION

5,933 direct jobs over two years for mine construction with \$457.4 million in wages.

9,278 direct, indirect, and induced jobs with \$642.6 million in wages.



### MINING (4 MINES) OPERATIONS

1,534 direct jobs with \$164.2 million in wages annually.

3,186 direct, indirect, and induced jobs with \$324.7 million in wages annually.



### GOVERNMENT REVENUES (4 MINES) TOTAL

\$261 million in mining license tax revenues to the State.

\$357 million in corporate income taxes to the State.

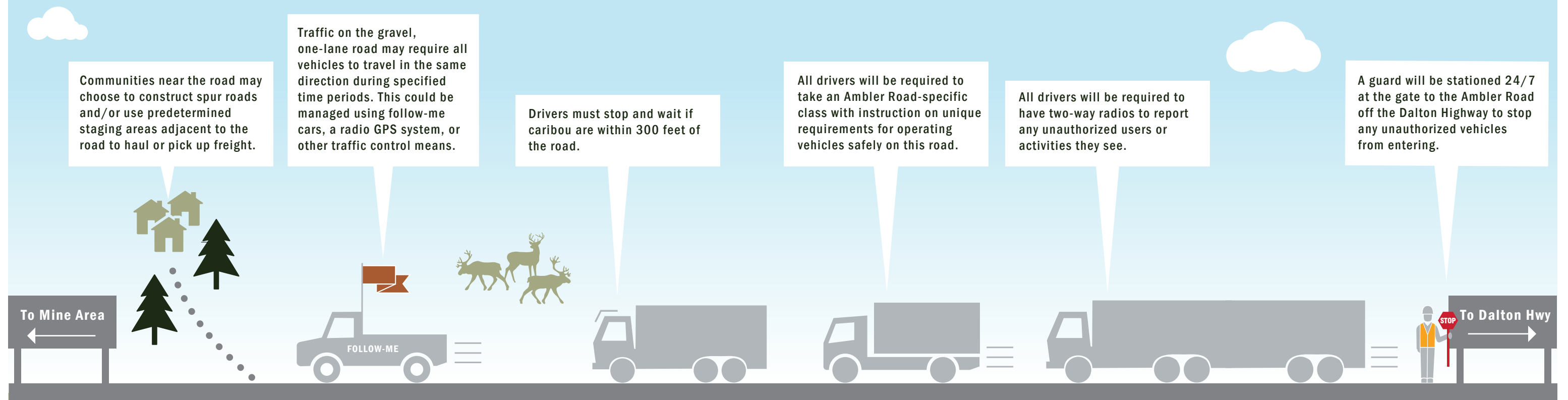
\$78 million in production royalties to the State.

\$6.5 million (annually) Payment in Lieu of Taxes to the NWAB per mine.

\*Based on Ambler Mining Region Economic Impact Analysis done by Cardno January 16, 2015



## HOW THE ROAD MAY OPERATE



## FREQUENTLY ASKED QUESTIONS

### WHAT IS THE AMBLER ROAD PROJECT?

The Ambler Road Project proposes to construct a limited-access industrial road from the Dalton Highway to the Ambler Mining District. The Ambler Mining District has been explored for many decades and is rich in mineral resources (see map on page two). The road to the Ambler Mining District was identified and provided for in ANILCA.

The construction cost of the access road depends on the phase of the road. A single-lane pioneer road that is usable for several months per year is estimated to cost \$280 million to construct, whereas a two-lane, year-round road is estimated to cost \$380 million. Road maintenance and operations are estimated at \$8-10 million per year.

### WHY IS AIDEA MANAGING THIS PROJECT?

AIDEA's mission is to grow and diversify the economy to create jobs and economic opportunities, and reduce unemployment. AIDEA has a successful history of working with the State and industry to provide needed infrastructure for economic development. The DMTS that supports Red Dog Mine in northwest Alaska is an example of AIDEA's experience.

### WOULD LOCAL COMMUNITIES BE ABLE TO USE THE ROAD FOR SUBSISTENCE HUNTING AND FISHING?

AIDEA will work with local communities in the vicinity of the road to make sure the road does not impact subsistence hunting and fishing. Road crossings would be designed in cooperation with these communities to allow them to safely cross the road where needed.

### WHO WOULD ENFORCE HUNTING AND FISHING REGULATIONS ALONG THE ROAD?

The Alaska Department of Fish and Game has authority to enforce hunting and fishing regulations along the majority of the route. In addition, AIDEA will prohibit commercial road users from hunting and fishing along the road and implement procedures for reporting any traffic on the road that is not permitted. There will be security operations that will setup gates and checkpoints, and monitor compliance with "rules of the road."

## FREQUENTLY ASKED QUESTIONS

### WHAT BENEFITS COULD THERE BE FOR LOCAL RESIDENTS? COULD THEY GET JOBS? COULD IT REDUCE COSTS?

There are a number of potential benefits for local residents. Hundreds of jobs would be created from road construction, maintenance, and operations, including security operations at man camps and checkpoints, and monitoring compliance on the road use restrictions. Other residents may get jobs on mine exploration, development, or operations projects. Some residents may use this as an opportunity to build their own freight or transportation businesses. Although AIDEA would not construct spur roads, local communities could decide to construct roads to staging areas adjacent to the access road. Local communities or entrepreneurs could hire commercial freight companies to haul freight to the staging areas, where it could be picked up and transported to rural communities. This could reduce the cost of living in some communities by reducing the cost of fuel, food, and other goods. Finally, Native landowners would have the potential to gain land lease payments or gravel extraction revenues associated with the project.

### WHY IS MINING IMPORTANT TO ALASKA?

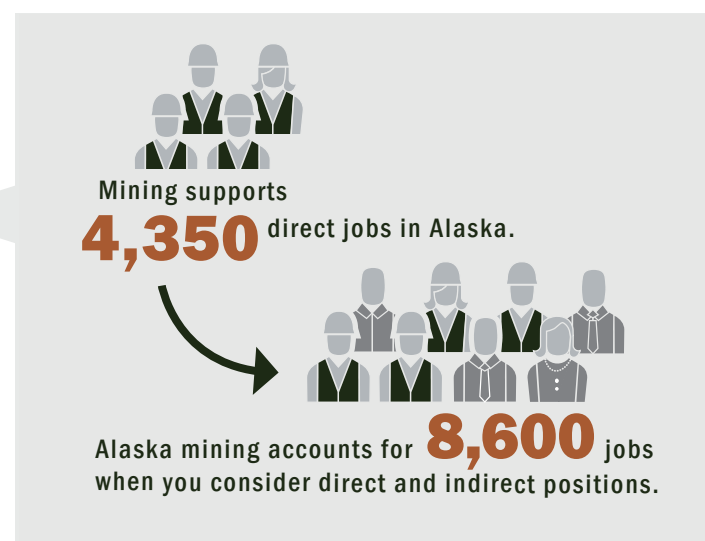
The mining industry has a long history as a major part of Alaska's economy. Mining provides high-paying jobs in the state, with the estimated average annual wage over \$100,000. Mining companies spent more than \$65 million on exploration in 2015 and more than \$3.4 billion since 1981. Another \$120 million was spent on mine development in 2016. Mines also paid \$23 million to local governments in 2016. Red Dog Mine is the largest taxpayer in the NWAB, and mines are the largest property taxpayers in the Fairbanks North Star Borough and the City and Borough of Juneau. Mining also paid \$81 million to the State in 2016 and \$111 million to Alaska Native corporations.\*

### HAS AIDEA REACHED OUT TO THE PUBLIC?

AIDEA, and before it the Alaska Department of Transportation and Public Facilities (DOT&PF), has held over 30 community meetings in the Upper Kobuk, the Upper Koyukuk region, and other areas. AIDEA has also participated in regional subsistence advisory meetings and other events to share information and gather feedback from the public, and particularly regional communities. Public input shifted the project from a public road (DOT&PF) to an industrial road (AIDEA), and resulted in changes to the alignment. AIDEA expects to continue to work with interested parties to develop measures to minimize project impacts and increase project benefits.

### WHAT TYPE OF IMPACTS WOULD THE ROAD HAVE ON THE ENVIRONMENT?

Road construction generally includes removal of vegetation, surface grading, excavation of high areas and fill in low areas, and compaction of gravel. The BLM's EIS will evaluate the potential environmental impacts of the road.



### WHAT IS THE TIMELINE FOR THE PROJECT?

The EIS on the project is expected to be complete by December 30, 2019, with a Record of Decision by January 30, 2020 (see graphic on back).

### WOULD THERE BE PUBLIC ACCESS ON THE ROAD? COULD THE PUBLIC USE IT FOR HUNTING AND FISHING?

The Right of Way permit for which AIDEA has applied is a limited access, non-public industrial road. Access will be limited to commercial transportation and drivers with Commercial Driver's Licenses, insurance, and other credentials. Restricting public access increases traffic safety on the road and road users would not be allowed to use the road for hunting and fishing. There will be no public access to the road for hunting and fishing.



The Ambler Road will not be open to the public for hunting or any other public use – the financial and land-use agreements that will be in place will not allow any individual to open the road as was done with the Dalton Highway.

– **John Springsteen**  
AIDEA, Executive Director



Hunters will not be allowed to access the area via the Ambler Road.



A guard will be stationed at the gate to the Ambler Road 24/7 to stop any unauthorized vehicles.



Only certified and authorized drivers will have access to the road and will be instructed to radio in any unauthorized activity in the area.



Unlike the Dalton Highway, Ambler Road access restrictions will be written into several land-use and financing documents that will legally restrict the use of the road. Agreements with AIDEA, Doyon, NANA, Alaska Department of Natural Resources (DNR), and BLM will provide restrictions on access rights granted.



The industrial road will be designed and built exclusively for commercial vehicles and will require them to be in radio contact. In addition to legal restrictions, it would be impractical and potentially dangerous to allow the general public to use the road. The Ambler Road will not be built to public road standards.

# CHRONOLOGY OF THE AMBLER ROAD DEVELOPMENT & FINANCING

