
"ACCESS TO THE FUTURE" STATUS REPORT



December 2003



Edgar Blatchford, Commissioner
Department of Community & Economic Development
P.O. Box 110800
Juneau, Alaska 99811-0801
Telephone: 907-465-2500

The following information is provided in accordance with AS 44.99.210:

Name of agency releasing publication:

Department of Community & Economic Development

Production cost of the publication:

\$4.33 per printed copy

Purpose of the publication:

Governor's economic development initiatives

City and State where printed:

Anchorage, Alaska

The Department of Community and Economic Development complies with Title II of the Americans with Disabilities Act of 1990. Upon request, this report will be made available in large print or other accessible formats. Requests for such should be directed to Department staff at 907-269-4560.

Cover photographs (clockwise from the top):

©Clark James Mislner/alaskastock.com

©Doug Ogden/alaskastock.com

©Chris Arend/alaskastock.com

Office of the Governor/State of Alaska

“ACCESS TO THE FUTURE”

Contents

INTRODUCTION	2
PART I – Strategy to Implement “Access to the Future”	3
1. Create the Structure	3
2. Identify Projects	3
3. Prioritize Projects	3
4. Focus Efforts on Specific Priority Projects.....	4
5. Consider Administrative and Legislative Actions.....	4
6. Continue to Coordinate with Congressional Delegation and Federal Agencies	5
PART II – Four Prototypes for Success	6
A. Nelson Island Road/Port Project	6
B. Delta-Greely Missile Defense/Pogo Mine.....	14
C. Alaska Peninsula Oil & Gas Exploration & Leasing.....	16
D. Donlin Creek Mine/Crooked Creek Development	20
PART III – Summary and Conclusions.....	23
APPENDIX A – Roles and Functions of State Departments	
APPENDIX B – Principles and Guidelines for Funding Capital Projects	
APPENDIX C – Formal Resolutions from Nelson Island Communities	
APPENDIX D – Map of Pogo Mine Area	
APPENDIX E – Map of Proposed Alaska Peninsula Oil & Gas Lease Sale Area	
APPENDIX F – Map of Donlin Creek Mine / Crooked Creek Area	

“ACCESS TO THE FUTURE” INTRODUCTION

“Access to the Future” is Governor Murkowski’s plan to best utilize State and federal resources to enhance Alaska’s economy. “Access to the Future” is the Administration’s strategy to focus and coordinate our efforts in areas where economic opportunities exist, and to develop infrastructure that will facilitate private sector investment. “Access to the Future” focuses on providing:

- **legal access** – streamline and efficiently manage the permitting process to encourage resource development;
- **physical access** – develop critical infrastructure and transportation facilities;
- **access to capital** – attract investment in sustainable projects;
- **access to markets** – take advantage of greater potential for exports and lower cost of imports;
- **access to technology** – develop modern, low cost communication and Internet access to information and services; and
- **access to jobs** – target employment training to fit development.

Streamlining government procedures, promoting resource development, and coordinating development capital will encourage more private investment and diversify the economy. Government-funded infrastructure should provide a base for private investment and create new jobs to strengthen families and communities. The operation and maintenance costs of such infrastructure should be locally supported.

PART I – STRATEGY TO IMPLEMENT “ACCESS TO THE FUTURE”

The following strategy is being used to implement “Access to the Future.”

1. Create the Structure

Governor Murkowski has appointed the “Access to the Future” Team, comprised of representatives of the Governor’s Office, DCED, DOT&PF, DNR, DOL&WD, DEC and the University. The Administration has also created the Office of Economic Development in FY 2005.

- Team members consist of commissioners or their representatives;
- The team reviews and refines each agency’s role and responsibility in light of the administration’s goals and objectives (Appendix A lists specific roles of State agencies as they related to “Access to the Future”); and
- The team defines the public participation process and criteria for prioritization of projects (principles and guidelines for funding capital projects is included as Appendix B).

2. Identify Projects

A comprehensive list of potential statewide economic projects has been identified.

- DCED has a list of 50 economic development projects, based on regional economic development strategies, community plans, EDA sources, and fish revitalization applications;
- DOT&PF has prepared a “Roads to Resources” project list;
- Boroughs and cities have been encouraged to present their recommendations for local projects through community or regional plans. Other entities such as ANCSA corporations, CDQ groups, AML, ARDORs, tribal organizations, and the private sector have also been encouraged to be involved in the process.

3. Prioritize Projects

The “Access to the Future” Team has:

- organized the projects into logical groups;

- categorized by industry, region, and amount of estimated funding required; and
- evaluated the strength of each development project (prioritization has focused on opportunities that exist where communities want to work together, projects that are sustainable, and that create jobs, income and income substitution).

4. Focus Efforts on Specific Priority Projects

The “Access to the Future” Team will designate appropriate staff to participate in planning for specific projects and to assess the economics of specific projects in more detail, as necessary. Designated key staff will:

- Identify potential sources of funding;
- Identify and track the milestones in the project development;
- Work to “fast track” funding, feasibility studies, permitting, design and engineering, etc.; and
- Facilitate agency coordination of mapping, job training, equipment, etc.

5. Consider Administrative and Legislative Actions

In addition to promoting specific capital projects, the Team will develop administrative and legislative actions that serve the goals of “Access to the Future.”

Examples of potential administrative and legislative actions include:

- Modification of Administrative Order Number 199 regarding force accounting to enhance opportunities to use force account labor on selected rural State funded projects;
- Promoting borough formation in unorganized areas that have the fiscal and administrative capacity to support regional government;
- Expanding borough entitlements to State land to foster economic development; and
- Providing additional State land for municipal and private sector development.

Organized boroughs are often the most appropriate entity to carry out regional economic development. Borough governments have the capacity to issue bonds and to levy taxes on a regional basis. This can provide the economies of scale needed to solve the operation and maintenance cost problems plaguing many small communities with scarce financial

resources. Regional governments also promote cooperation between economic hubs and smaller communities within the borough. The result is business activity and resource development benefiting and stabilizing the entire region, not just the larger economic hubs. Additionally, organized boroughs perform regional planning and platting functions, as well as provide strict accountability for the expenditure of State and Federal funds. Boroughs also lead to the consolidation of school districts and municipal governments (currently, 70% of Alaska’s school districts and 66% of Alaska’s cities are in the unorganized borough). Therefore, supporting borough formation through legislative action will help advance the goals of “Access to the Future.”

The importance of administrative or legislative involvement can also be seen in the example of Pogo mine. The project will create hundreds of good-paying jobs and bring hundreds of millions of dollars into the Alaska economy. However, concern is frequently expressed by private investors that capital intensive projects, such as mining, in Alaska’s unorganized borough creates uncertainty in terms of future regulation and taxation. Residents of the Delta-Greely region are studying the prospect of forming a borough encompassing the Pogo Mine.

Although borough formation would place a property tax burden on the Pogo Mine, considerable benefits could also ensue. A functioning, dynamic borough would lead to greater access to goods and services for the Pogo Mine, along with providing a nearby “home town” for mine employees. The current crux in the Delta area for Pogo Mine development is the lack of certainty. Early regional government formation leads to certainty of tax structures as well as services. This allows for much more sound business decisions for large-scale developers.

6. Continue to Coordinate with Federal Agencies and Congressional Delegation

Cooperation can be achieved through effective dialogue with key federal staff and Alaska’s representatives in Washington. Principal contacts include staff of the federal Congressional Delegation, the Denali Commission, USDA, EDA, EPA, HUD, FAA, BIA, the Corps of Engineers, and other agencies. All key state and federal agencies have signed a “Memorandum of Understanding” with the Denali Commission, agreeing to share information and coordinate when feasible, among other items. A formal platform on which to build “Access to the Future” already exists. The Denali Commission also hosts numerous work groups on specific goals.

PART II – FOUR PROTOTYPES FOR SUCCESS: NELSON ISLAND, DELTA-GREELY/POGO MINE, ALASKA PENINSULA, AND CROOKED CREEK/DONLIN CREEK MINE

These four project areas are cited as examples of the issues involved in streamlining and coordinating the resources of multiple agencies. The goals of “Access to the Future” will be achieved step-by-step and project-by-project. These four examples identify local, regional, State, federal and private sector roles in the development process. Each project – three in remote parts of the state and one on the road system – offers unique opportunities and challenges. All of the projects have local support.

The first example relates to the planned construction of transportation facilities on Nelson Island in western Alaska. The second example concerns the rapid development underway in the Delta-Greely region, such as missile defense and gold mining. The third relates to oil and gas exploration on the Alaska Peninsula. The fourth relates to planned gold mining and infrastructure development in Donlin Creek, near Crooked Creek.

A. Nelson Island Road and Port Project¹

Introduction and Current Status

Nelson Island is located on the Bering Sea coast of western Alaska, approximately 115 miles west of Bethel. Four settlements are located on the Island – Nightmute, Toksook Bay, Tununak, and Umkumiut.²

The settlements are currently connected by rudimentary trails that limit use to four-wheelers in the summer and snow machines in the winter. The governing bodies of the four Nelson Island settlements have endorsed the construction of a 29-mile road system linking those

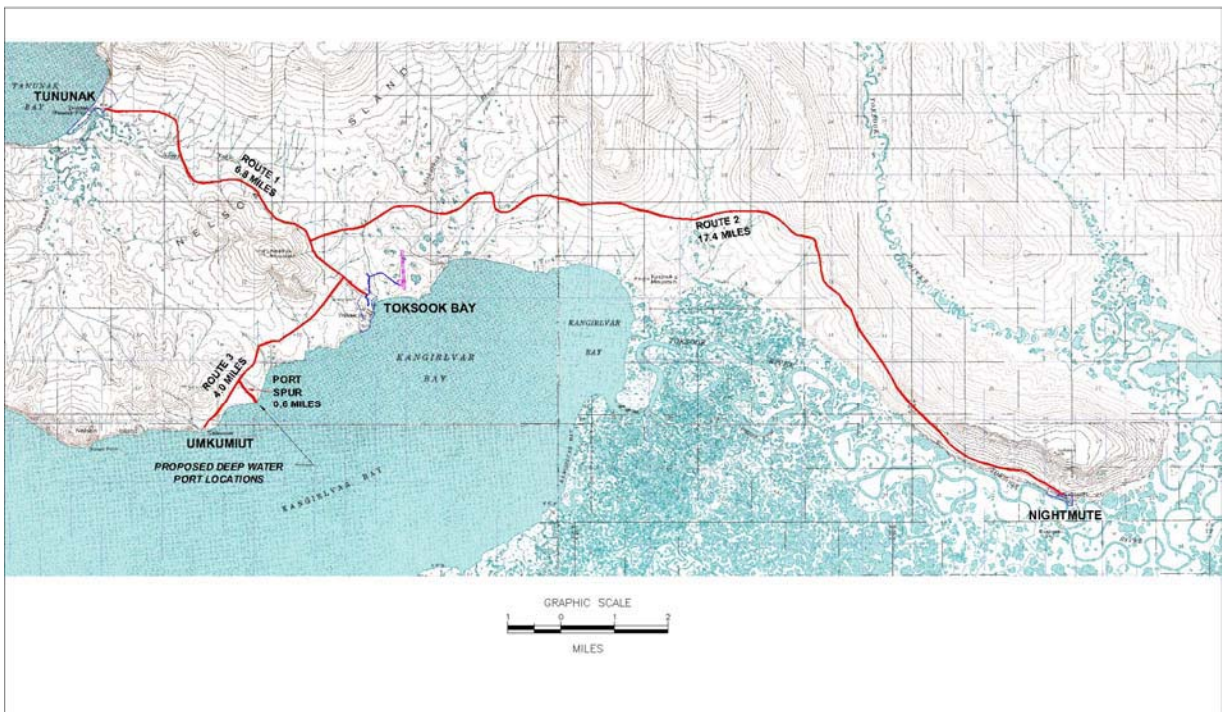
¹ Certain information in this summary is based on the *Nelson Island Subregional Transportation Plan*, Kuskokwim Architects and Engineers, Inc., January 2003.

² The population of Nightmute is 224, the population of Toksook Bay is 549, and the population of Tununak is 323. Umkumiut is presently a summer fish camp used by Toksook Bay residents.

settlements. Copies of the formal resolutions adopted by each governing body are included as Appendix C.

Construction of a road network will be accompanied by development of a centralized seaport at Umkumiut. The seaport is expected to significantly reduce the costs of shipping goods to Nelson Island by as much as 40%. The Port at Umkumiut will provide a safe harbor, fuel, water, supplies, and services for the commercial fishing fleet. Such a facility is currently lacking in western Alaska. Moreover, the improved transportation facilities on Nelson Island will create opportunities for consolidation of services, increased efficiencies of scale, and economic expansion.

The governing bodies of the Nelson Island communities have pooled their Bureau of Indian Affairs (BIA) transportation improvement funds to provide preliminary work on the project. An engineering firm has also prepared a preliminary assessment of the financial benefits of the project. Preparation of an environmental impact statement is currently underway. Work completed to date includes community workshops, aerial mapping, classification of soils and vegetation, evaluation of alternative routes, development of road standards, identification of gravel sources, preparation of cost projections, and other work tasks.



Construction Employment Opportunities

The Nelson Island transportation improvement project will bring significant construction jobs to the area. The total of such jobs is estimated to be 490.³ Since road, airport, and harbor construction projects administered by DOT&PF and the U.S. Army Corps of Engineers are typically awarded by competitive bid, the labor force for this project will be drawn from local, regional, state, and non-state residents. Sales of gravel, goods, and services to support construction activities will provide significant ancillary employment in the region.

Unlike transportation facilities, projects to consolidate services (e.g., solid waste disposal facilities, electric utilities, bulk fuel facilities, etc.) are typically administered by force account⁴ and have historically employed local residents. However, effective October 1, 2002, former Governor Knowles' Administrative Order Number 199 diminished opportunities to use force account labor on State-funded projects. This applies to bulk fuel storage tank construction, rural power system upgrades, electric service extensions, village wastewater projects, and other projects.

Financial Benefits of the Road/Port and Consolidation of Services

The engineering firm preparing the transportation plan for Nelson Island has estimated that the road and port project will bring \$71,460,000⁵ in benefits to the local area over a 20-year period. Those benefits include:

- 40% reduction in the cost of shipping cargo;
- 50% reduction in the cost of air freight;
- 14% reduction in the cost of providing electricity;
- 10 cent per gallon reduction in fuel costs; and
- 30% overall reduction in the operation and maintenance costs of community facilities such as airports, schools, power plants, bulk fuel storage, health clinics, landfills, and community halls.

If the road and port are constructed, Nelson Island communities could consolidate services and facilities (airport, schools, power generation, fuel

³ The cost of the road and port project is presently estimated to be \$62,020,000. The Alaska Department of Transportation & Public Facilities (DOT&PF) has estimated that road construction projects employ approximately 7.9 workers per million dollars expended [Jobs Cabinet, Rural Public Construction & Employment Work Group, 2001].

⁴ Force account work occurs when a grantee employs its own workers to perform publicly-financed construction work instead of contracting with a private contractor.

⁵ This discussion includes excerpts from the *Nelson Island Subregional Transportation Plan*, Kuskokwim Architects and Engineers, Inc., January 2003

storage, health clinics, and public safety). This improved infrastructure will provide a platform for increased private sector investment. A summary of those prospects is provided below:

Port at Umkumiut

Current marine transportation facilities: Currently, there are no docking or moorage facilities on Nelson Island. Residents of Nightmute, Toksook Bay, and Tununak must lighter goods to shore from barges. Once offloaded, goods are transported on four-wheel vehicles towing small trailers. This is a very labor-intensive, inefficient and expensive system.

Anticipated Effects of Port Construction: The following benefits are projected to result from construction of a port at Umkumiut:

- 40% reduction in the shipping cost of goods, materials, and fuel;
- moorage provides the ability to utilize larger commercial halibut fishing vessels, thereby increasing local income and employment;
- provides Nightmute with earlier access to saltwater each season, thereby expanding the earnings potential of commercial fishermen from Nightmute;
- provides a “safe harbor” from the sudden and severe changes in weather conditions in the Bering Sea; and
- creates employment for a harbormaster.

Potential challenges:

- Operations & maintenance costs in an extreme environment.

Regional Airport

Current airport facilities:

- Toksook Bay – 1,788 ft. with expansion underway;
- Nightmute – 1,650 ft. with expansion pending; and
- Tununak – 2,010 ft. with expansion pending.

Potential opportunities:

- DOT&PF is currently expanding the Toksook Bay airport facilities. FAA funds are also planned for improvements at the Tununak and Nightmute airports. Alternatively, the possibility of using those funds for road access and development of a regional airport is being explored;
- A regional airport could bring about a 50% reduction in air freight costs due to larger capacity aircraft;
- A regional airport will provide an improved terminal facility, better fuel services, equipment and gravel storage; and

- Significant savings in operation and maintenance costs will result through the closure of two airstrips.

Potential challenges:

- Airport maintenance jobs will change due to consolidation of three facilities into one.

Centralized School Facility

Current school facilities:

- Toksook Bay/Nelson Island Area Schools – 191 K-12 students;
- Nightmute School – 67 K-12 students; and
- Tununak/Paul T. Albert Memorial School – 110 K-12 students.

Potential opportunities:

- 50% cost savings in personnel costs, facility operations, and maintenance by consolidating three schools into one;
- Consolidation will focus and strengthen limited resources; teachers will be able to specialize in a specific age group rather than teach all grade levels; and
- Employment of bus drivers and vehicle maintenance personnel will result.

Potential challenges:

- Teaching and administrative jobs will change due to school consolidation; and
- Bus transportation and road maintenance will be required. Operation, maintenance and safety of vehicles and students in an extreme environment will require careful planning and skilled staff.

Regional Power Generation and Fuel

Current electric facilities include separate generators in each community, operated by the Alaska Village Electric Cooperative (AVEC). Bulk fuel tank farm upgrades are currently planned by AVEC for each community on Nelson Island.

Potential opportunities:

- AVEC is interested in a central electric facility and fuel storage at Toksook Bay with power distribution interties to Nightmute and Tununak;
- Power will be more reliable; emergency backup generators will remain in Tununak and Nightmute;
- Roads could provide significant savings for power line construction. AVEC has identified four potential wind turbine sites on Nelson

Island. If developed, the wind turbines could save 60,000 gallons of fuel annually to Nelson Island communities; and

- Saving of fuel costs due directly from transportation improvements will result in an estimated 14% reduction in the cost of electricity, including a savings of 1.93 cents per kilowatt hour, based solely on 10 cents per gallon savings (wind energy and distribution lines not included). Other system efficiencies are likely.

Potential challenges:

- Electric operation and maintenance jobs are likely to change due to consolidation of three power generation facilities into one.

Regional Health Clinic

Current health facilities include clinics in each community operated by the Yukon Kuskokwim Health Corporation (YKHC). Services are currently provided by a health aide and itinerant care (traveling physicians and specialists).

Potential opportunities:⁶

- Expansion of medical services to include a full-time physician and/or family practitioner, basic X-ray, lab, pharmacy, care management and specialty clinics – a level of service which is not currently available on Nelson Island.

Potential challenges:

- Health care jobs are likely to change due to consolidation of three facilities into one; and
- Ambulances and road maintenance will be required for transportation. Operation, maintenance, and safety of vehicles and patients in an extreme environment.

Centralized Halibut Processing Plant

Current processing facilities:

- Nelson Island communities are part of the CDQ region;
- Toksook Bay – a new Coastal Village Region Fund (CVRF) halibut plant processes 100,000 pounds annually, employs 15 people seasonally, and supports 20 fishing boats; and
- Tununak – CVRF halibut plant processes 100,000 pounds annually, employs 10 people seasonally, and supports 15 fishing boats.

Potential opportunities:

⁶ The engineering firm preparing the transportation plan has not quantified operations and maintenance cost savings.

- A consolidated plant will provide significant savings in operations and maintenance;
- A dock will enable savings and efficiencies in seafood shipping and handling costs;
- Seafood processing jobs will increase, pending halibut quota allocations to Nelson Island – the new plant has capacity in excess of 100,000 pounds. The road will enable new employment opportunities for Nightmute residents; and
- Last year, there were 175 commercial fishing permit-holders and nearly 60 Island residents employed in commercial fishing.

Enhanced Public Safety

Current public safety services:

- Toksook Bay – State-funded Village Public Safety Officer (VPSO) and City-funded Village Police Officers (VPO);
- Nightmute – City-funded VPO; and
- Tununak – State-funded VPSO.

Potential opportunities:

- Larger, safer, and better-equipped vehicles could be utilized with a road system, providing safer access to neighboring villages and subsistence resource areas -- accidents involving snow machine travel have occurred all too frequently on the Island. (16 fatalities in the past 20 years, and numerous “near misses”);
- Port could provide a “safe harbor” against severe Bering Sea conditions (eight vessels with crews have been lost in the Bering Sea in the past 20 years);
- Regional public safety training for officers; regional education programs for residents (DARE, boating safety, etc.); and
- Common access to shared resources and manpower for search & rescue or other emergency incidents.

Private Sector Opportunities

Regional connectivity and consolidation provides opportunities for private sector expansion and innovation:

- New opportunities for retail development;
- New opportunities for gravel extraction, sales and exports;
- Visitor industry growth with improved port and airport facilities. Newly developed road interconnections also provide visitor opportunities;
- Connected villages provides for service sector innovation; and

- Improved facilities and transportation opens numerous trade and professional opportunities.

Other Service Consolidation Opportunities

- Consolidation of water quality testing, water maintenance personnel;
- Consolidation of Head Start/Early Start programs (with bus transportation);
- Consolidation of recreation facilities, libraries, youth facilities, heritage centers;
- Consolidation of mental health, suicide prevention, alcohol/substance abuse counseling services, etc.; and
- Centralized employment for Yukon Delta National Wildlife Refuge (NWR); Clarence Rhode NWR Unit.

Intangible Benefits of Road/Port Development

- More frequent social interaction, facilitating strengthened family and village ties;
- Better and safer access to traditional subsistence resource areas;
- Regional traditional skills training, such as arts & crafts apprenticeships, etc.;
- Regional job training opportunities;
- Regional planning opportunities; and
- Potential development of guided hunting and fishing eco-tourism businesses.

Conclusion

The Nelson Island transportation project is one example of the opportunities and challenges that exist in a large-scale rural project. There has been very little public process to date, and Island residents have legitimate concerns regarding service consolidation. Coordination and communication is crucial, as many decisions remain for local, state and federal organizations.

B. Delta-Greely Area Development⁷

Introduction and Current Status

The Delta-Greely region, near the junction of the Richardson and Alaska highways, is approximately 100 miles southeast of Fairbanks. The military’s decision to use the decommissioned Fort Greely as a missile defense site, and the development of a new world-class gold mine 40 miles northeast of Delta Junction, has created significant economic activity in the region.

Missile Defense Facility

In 2001, Fort Greely was designated part of the national ballistic missile defense shield. It will become a ground-based facility to test technology for destroying hostile missiles in mid-course. The investment in this construction project at Fort Greely is estimated at approximately \$500 million. The Corps of Engineers has project oversight. During peak construction, more than 500 workers are expected to be employed on the project. Upon completion, approximately 120 military personnel and 150 civilian positions will operate the facility.

Impact Mitigation

The Department of Defense has also provided \$24.8 million to the City of Delta Junction for mitigation of impacts relating to the missile defense facility. The impact mitigation funds are being used to expand public services and infrastructure to accommodate rapid population growth. When the increase in personnel at Fort Greely is combined with the development of the Pogo Mine, the in-migration of Slavic families, and other developments, student enrollment is anticipated to grow by as much as 75% over the next four years. The school district plans to hire 17 new teachers to manage the sharp increase in enrollment. Impact mitigation projects include a new regional landfill, new fire and emergency medical equipment, a new fire station and public works facility, communications upgrades, social service grants, education and job training, a library, and public school assistance.

⁷ The discussion includes excerpts from *The Delta Region, Alaska Economic Trends*, by Neal Fried & Brigitta Windisch-Cole, DOL&WD, © November 2002.

The Pogo Mine

After eight years of exploration work, the feasibility and planning stage of Pogo Mine prospect is nearing completion. \$78 million of private capital has been spent on the Pogo Mine project to date, with an expected total capital cost of \$250 million flowing into the Alaska economy. Recently, Teck-Cominco Ltd. and Sumitomo Metal Mining Company formed a joint venture (Teck-Pogo, Inc.) to pursue full-scale development of the Pogo Mine. Pogo’s environmental impact statement⁸ was released in September 2003, and permitting is underway. After completion in 2005, Pogo could produce 375,000 ounces of gold annually, eventually increasing to as much as 500,000 ounces a year. A map of the Pogo Mine area is included as Appendix D.

A winter road and airstrip were built for use by the exploration team. A 50-mile access road will be constructed with private financing by project investors. An estimated 500 jobs will be created during the two-year construction phase. Once completed, the mine is expected to permanently employ around 300 Alaskans annually over the projected eleven-year life of the mine. The Pogo Mine will offer high quality jobs such as engineers, mechanics, equipment operators, fiscal staff, environmental technicians, and security staff. The University of Alaska’s “Delta Mine Training Center” (DMTC) is working closely with Teck-Pogo to prepare a local/regional workforce for employment at the Pogo Mine. Efforts are being made to recruit workers from the Delta and Interior regions.⁹

Agricultural Production and Timber Sales

The Delta region of the Tanana Valley has over 75 farms. Agricultural infrastructure in Delta includes a dairy processing plant, a privately-owned federally-inspected slaughterhouse and meat-packing plant, a farmers' co-op fertilizer plant and grain elevator, a veterinary clinic, USDA government support offices, the UAF Delta Research Site and Cooperative Extension Service office.

In 2001, farm production in the Tanana area yielded a value of \$7.5 million, the highest value in more than twelve years. Livestock includes cattle, hogs, sheep, bison, elk, reindeer and other farmed animals; crops include hay, barley, oats, vegetables, and potatoes. Delta farmers also

⁸ [See <<http://www.pogomineeis.com>>]

⁹ [See <<http://www.pogomineeis.com>>]

receive federal cash subsidies nearing \$1.3 million. Significant acreage of affordable, accessible land is currently available in the Delta vicinity.

The Alaska Department of Natural Resources (DNR) will offer over 5,400 acres for timber harvest in the Tanana Basin Area Plan in the next five years (2004-2008). The plan provides for an annual harvest of 1,673,800 cubic feet of white spruce and 6,705,000 cubic feet of hardwoods. In addition, DNR plans to construct approximately 7 miles of roads each year during the next 4 years.¹⁰

Other Potential Developments

The Alaska Railroad is considering the possibility of rail access to Delta Junction. The rail link could serve the military’s need to transport vehicles and personnel, as well as provide a transportation infrastructure for the region’s mining and agriculture industries.

The likely route of the proposed natural gas pipeline would pass through the Delta-Greely area. Delta Junction’s city administrator is participating in the Municipal Advisory Group convened by the Department of Revenue to identify potential impacts of the pipeline. The construction phase of the pipeline could provide short-term employment in the region.

Conclusion

There are many diverse opportunities in the Delta-Upper Tanana Basin regarding the Missile Facility, Pogo Mine, agricultural expansion, timber sales, and infrastructure development. Officials of the City of Delta Junction are exploring formation of a borough in the Upper Tanana Basin. There are numerous aspects to the development in this area that warrant ongoing state and federal coordination.

C. Alaska Peninsula / Bristol Bay Development

Oil and Gas Exploration and Leasing

For decades, geologists have recognized the enormous potential of the Bristol Bay region for oil and gas production. Twenty-six on-shore wells have been drilled in the region since 1903. Although no commercial flow

¹⁰ *Five-Year Schedule of Timber Sales, FY 2004 to 2008, Delta Area Forestry Public Draft Report*, DNR, Division of Forestry (May 2003).

has been proven to date, oil and natural gas are evident in many of the wells. The northern half of the Alaska Peninsula is geologically promising for on-shore development, although exploratory drilling will be required to quantify the potential reserves. Offshore leasing last occurred in 1986; 23 leases were issued at over \$95 million. After the *Exxon Valdez* oil spill, Congress placed yearly bans on any offshore leasing expenditures in the North Aleutian Basin (Bristol Bay). In 1995, after a legal settlement, all leases were relinquished, and in 1998, offshore leasing in this region was banned until 2012.

For years, the region opposed oil exploration and development, but with commercial fishing in a recession, Bristol Bay and the Alaska Peninsula are now embracing on-shore oil and gas development. In July 2003, a Memorandum of Understanding was signed between the Alaska Department of Natural Resources and the Bristol Bay Native Corporation (BBNC) to facilitate on-shore oil and gas lease sales in the region.

Consequently, the state will be conducting areawide on-shore oil and gas lease sales on the Peninsula by 2006. The Alaska Department of Natural Resources (DNR), Division of Oil & Gas, has issued a *Solicitation for Exploration Licensing Proposal* for approximately 2 million acres of state land and 3.5 million acres of BBNC land. Two expressions of interest were submitted in September 2003. In October 2003, the “best interest finding” process began, including public informational meetings in local communities. The preliminary findings on both the exploration license and the areawide lease sale will ensue, followed by additional public comment opportunities. A lease sale could be held in the fall of 2005 and awards made in the spring of 2006. A map of the proposed lease area on the Alaska Peninsula is included as Appendix E.

The primary benefit of on-shore oil and gas development is to provide local residents with employment, a natural gas supply to heat homes and businesses, less expensive electrical power, and lower costs to the fishing industry (ice production and processor facilities). Increased quality due to the availability of less expensive ice, when combined with lower cost in the processing sector due to less expensive power, will serve to increase the competitive position of the entire region’s commercial fishing industry.

A critical secondary long-term benefit is to provide road access between communities on the Peninsula. Eventually, roads would be built to access state and Native corporation lands leased for exploration and development. For example, construction of a 282-mile road linking King Salmon to the deep-water port of Chignik is supported by local and regional organizations.

Transportation Improvements

In the long-term, development of on-shore oil and gas reserves will spawn construction of transportation systems to get products to market. In the interim, there are numerous federal and state transportation improvements currently underway and planned for the region. (Note that all “Planned” projects are subject to reprioritization by the agency.)

Water Transportation:

- Dillingham – \$4.1 million All-tide Dock – EDA, DOT, CDQ funding (2003)
- Dillingham – \$10 million Dredged Material Confined Disposal Facility – Corps of Engineers (Planned 2003)
- Chignik – \$11 million Breakwater, Harbor, Dock and Small Boat Harbor – U.S. Army Corps of Engineers & EDA (2003)
- Kokhanok – \$2.5 million – Harbor Pre-Construction – U.S. Army Corps of Engineers (Planned 2003)

Road Transportation:

- Williamsport/Pile Bay Road – \$10 million – This one-lane road is being upgraded to haul commercial fishing boats overland between Cook Inlet and Bristol Bay. To improve access on the Cook Inlet side, the U.S. Army Corps of Engineers will need to dredge the area. Once the route is completed, freight costs to Iliamna Lake will decrease substantially. DOT has funded the reconnaissance study and design
- Iliamna-Newhalen Road – \$5 million – Engineering and permitting are nearing completion on a 15-mile road improvement, including a bridge over the Newhalen River. DOT (2002)
- Levelock – \$3 million – Upgrade Streets – BIA (Planned 2003)
- Pedro Bay – \$1.5 million Bridge Replacement – DOT (1998)
- Dillingham-Aleknagik Road Paving – \$5 million – DOT (2003)
- Aleknagik – \$5 million Wood River Bridge – DOT (Planned 2004)
- Dillingham – \$1.4 million Coastal Trail – DOT (Construction 2005)
- Naknek – Bridge and Airports Inter-modal Study – DOT (Planned)
- Ugashik – \$4.4 million Landfill Access Road – BIA (2002)

Air Transportation:

- Iliamna – Airport Master Plan – DOT (2003)
- Levelock – \$3.4 million Airport Reconstruction – DOT/FAA (2000)
- Nondalton – \$2.4 million Airport Resurfacing – FAA/DOT (Planned 2004)
- Clark’s Point – Construction of a new airport was started in 2002, but halted due to settling. It needs to be completed
- Kokhanok – \$3.2 million Airport Runway – FAA (Planned 2003)
- Dillingham – \$5.1 million Airport Runway Rehabilitation – DOT (2003)
- Ekwook – \$4.1 million Airport Rehabilitation – DOT (Planned 2003)

- Manokotak – \$2.75 million Airport Reconstruction – DOT (Planned 2004)
- New Stuyahok – \$4.3 million Airport Reconstruction – FAA (Planned 2004)
- Ivanof Bay – \$350,000 Seaplane Base Master Plan and Study – FAA/DOT (2002)

Employment and Training

Bristol Bay’s commercial drift fleet has declined by 37% since 1997. Area residents are leaving the commercial fishing industry and want training for employment in other occupations. The **Southwest Alaska Vocational & Education Center (SAVEC)** in King Salmon opened its doors in May 2002 to train area residents in construction, health care, computer technologies and fisheries occupations. The Center has fully equipped labs, classrooms and residential facilities, and has served over 830 students to date. Local hire is crucial to the economic health of the region, and SAVEC is a key partner in ensuring employment readiness.

Over 400 individuals in the region have been certified as eligible to receive job training, job searching, and relocation assistance under the federal Trade Adjustment Act (TAA). Statewide, over \$100 million has been secured to assist individuals with training and employment in Alaskan fishing communities.

Conclusion

Development in the Alaska Peninsula and Bristol Bay region is integral to Governor Murkowski’s “Access to the Future” strategy. The project will:

- Require communication and cooperation between several key State departments;
- Provide long-lasting benefits to residents of the region;
- Provide hundreds of short-term construction, engineering and support jobs;
- Support hundreds of permanent employment opportunities; and
- Provide the basis for positive changes in the region’s fishing industry and the foundation for expanded private sector development.

A meeting was organized on September 4, 2003, between key local and regional organizations and State representatives (BBNA, BBNC, BBHA, BBEDC, L&P Borough, BB Borough, SAVEC, DNR, DOT&PF, DCED, and the Governor’s Office). Several task forces were formed to examine specific issues, such as job training for local residents,

airports/medevac/health care, roads/docks/airports, public outreach, and publicity. Regular meetings of these workgroups continue.

D. Donlin Creek Mine / Crooked Creek Development

Introduction and Current Status

The Donlin Creek mining district is located just north of Crooked Creek on the Kuskokwim River. A map of the area is provided as Appendix F. Calista Corporation owns the subsurface rights, while the Kuskokwim Corporation owns the surface rights. In May 1995, Placer Dome, Inc. signed a 20-year lease for the Donlin Creek property, and Calista retains a net royalty. In 2001, NovaGold Resources Inc. entered into a joint venture agreement with Placer Dome.¹¹

Placer Dome is conducting a pre-feasibility study, due by the end of 2003. Previous studies have indicated that the size of the gold deposit is 25.4 million ounces of gold, and could produce 1 million ounces a year. This would make the potential mine the fourth largest in the world, and the largest in North America. The life of the mine is projected at 13–25 years. Current estimated capital costs for developing a mine at Donlin Creek are \$602 million.

More than 600,000 feet of drilling, 70,000 feet of trenching and 26 line miles of ground geophysical surveys have been completed on the property. There is an existing 5,000 foot long airstrip, and a 75-person camp. In addition, there is a 15-mile long winter trail from Crooked Creek to Donlin Creek. Environmental monitoring is underway in anticipation of future permitting requirements.

The next step towards development is to make a determination for feasibility and commit to conducting a feasibility analysis of the mine. If Placer Dome and their partner, NovaGold, make a decision to move forward, then the next steps include:

- Feasibility/Baseline Studies – 2003–2004
- Final Permitting/Financing – 2005–2007
- Construction Decision – November 2007
- Operation Begins – 2009–2010

¹¹ Northern Alaska Environmental Center,
<<http://www.northern.org/artman/publish/donlin.shtml>>

In order to build and operate the mine, certain infrastructure is needed within the region. These include:

- An energy source
- A port/barge facility
- An airport extension
- A road from Crooked Creek to the mining district
- A large bulk fuel storage facility

In addition, workforce development will be necessary. An estimated 500 workers will be required for the construction of the mine, and 300 for operations. The companies want to hire from the surrounding villages.

At this time, there are many projects ongoing or planned in the Crooked Creek area that will be impacted by the Donlin Mine development.

- Road from Crooked Creek (on Kuskokwim) to Donlin Creek Mine
- Airport master plan
- Bulk fuel storage facility upgrade
- Community comprehensive planning
- Education/workforce development
- Multiple energy options, including:
 1. Inter-tie from Bethel to Donlin Creek Mining District
 2. Holitna Area Shallow Gas Well Development
 3. Gas line from Beluga to the Donlin Creek mining district
 4. Railbelt to Calista Region Inter-tie
- Local energy - Rural Power System Upgrade
- Port/barge/dock facilities

Engineering is underway on the proposed 14-mile road from Crooked Creek, on the Kuskokwim River, to the new Donlin Creek gold mine project, eventually connecting to Holy Cross and Ruby on the Yukon River. The road from Crooked Creek to the Donlin Creek mine could be under construction in 2006 if that project goes ahead.

All these projects will require on-going coordination between many organizations, such as:

- NovaGold Resources Inc.
- Placer Dome, Inc.
- Crooked Creek Traditional Council
- Calista Corporation
- Kuskokwim Native Association
- The Kuskokwim Corporation
- Association of Village Council Presidents
- Nuvista Light & Power (Subsidiary of Calista)
- Interior Region Resource Conservation and Development

- Alaska Energy Authority
- Department of Community & Economic Development
- Department of Transportation & Public Facilities
- Department of Natural Resources
- Department of Fish & Game
- Denali Commission
- Federal Aviation Administration
- Bureau of Indian Affairs
- Bureau of Land Management
- U.S. Army Corps of Engineers (COE)
- U.S. Fish & Wildlife Services

Conclusion

Issues regarding legal access, physical access, access to capital, markets, technology and jobs will continue throughout the project. The Donlin Creek project is an ideal example of “Access to the Future” and the Governor’s commitment to assisting and supporting economic opportunities in Alaska.

PART III – SUMMARY AND CONCLUSION

Economic development of Alaska's plentiful natural resources will continue to be the driving force of our economy. “Access to the Future” is the **Murkowski-Leman Administration**'s strategy to coordinate existing state and federal resources to enable economic opportunities, and to develop infrastructure that will facilitate private sector investment. The administration will continue to focus on projects that create jobs, reduce the cost of living, and provide other economic opportunities for Alaskans. In essence, “Access to the Future” is a concerted effort by State agencies and the Congressional delegation to focus on these priorities. Specifically:

The **Department of Transportation & Public Facilities** has developed the Industrial Roads Program (IRP), also known as “Roads to Resources.” It began in March 2003 when transportation analyses from the still-developing Northwest Alaska Transportation Plan showed that new North Slope oilfield and Yukon-Kuskokwim River gold field roads would accelerate development and provide significant revenue and employment opportunities. The IRP also includes Glacier Creek Road in Nome to the Rock Creek gold mine, and Crooked Creek Road from the Kuskokwim River to Donlin Creek Mine. Other promising proposals from around the state are also being considered for addition to the IRP.

The **Department of Community & Economic Development** will reorganize on July 1, 2004, and create the Office of Economic Development to oversee “Access to the Future” activities. The Department has developed a list of 50 economic development projects. The Division of Community Advocacy is working with communities and other organizations on specific projects to ensure an effective public process, coordinate information, and provide technical assistance as requested.

The **Department of Labor & Workforce Development** has launched the “Alaska Hire” program. The initiative's goal is resident hire rates of 90 percent or higher in construction, oil and gas, mining, seafood and forest products and tourism, as well as state and federal government. Those participating in the program promise that their companies will:

- Offer priority employment and career opportunities to Alaskans.
- Increase and/or maintain the number of Alaska residents employed in their business to 90 percent or more.
- Work cooperatively with the Alaska Department of Labor & Workforce Development in recruitment, promotion, and retention of Alaskans.

- Make Alaska their company’s primary recruitment area, and advertise job openings on the Alaska Job Center Network (AJCN) administered by the labor department.
- Participate in AJCN job fairs.
- Participate in outreach activities of the Alaska Workforce Investment Board and outreach activities for job seekers including dislocated workers, veterans and unemployment insurance recipients.
- Assist in identifying training needs to assure availability of a trained Alaska workforce.
- Provide training to Alaska workers necessary to advance their careers.

At campuses across the State, the **University of Alaska** prepares our residents to qualify for highly-skilled, good-paying positions. The University’s degree programs, distance education, research, community outreach, corporate partnerships, and financial aid programs enable all Alaskans to pursue greater economic opportunities. The University’s “Delta Mine Training Center” (DMTC) is critical to the local/regional employment goals for Pogo Mine operations.

The **Department of Natural Resources** is significantly involved in all resource exploration and development and is streamlining permitting processes. The Division of Mining, Land and Water will coordinate all permitting activities at Pogo Mine and Donlin Creek Mine. The Division of Oil and Gas will coordinate all permitting activities on the Alaska Peninsula.

For more information on “Access to the Future,” contact the Governor’s Office, the Department of Transportation & Public Facilities, the Department of Community & Economic Development, or the Department of Natural Resources.

Appendix A

Appendix A
State Agency Roles and Responsibilities
as they relate to “Access to the Future” Goals and Objectives

Legal access – streamline and efficiently manage the permitting process

- DNR Convey rights to explore for, develop, and produce oil and gas by conducting four competitive oil and gas lease sales and issuing oil and gas exploration licenses and shallow gas leases.
- DNR Process new mining claims within three weeks of filing; and efficiently administer the existing 50,000 claims; efficiently process 10 new mining leases and 1,000 new mineral prospecting sites.
- DNR Process over 600 permit applications for commercial and guided recreation use on State Park lands.
- DNR Continue to seek a concession contract operator for adaptive re-use of the historic buildings at Independence Mine State Historic Park as a year around visitor destination.
- DNR Provide an expanded agriculture base by preparing 40 land disposal parcels with 9,000 acres, and continue management of 30 grazing leases opportunities on grassland areas.
- DNR Process 500 land use permit applications, including commercial guides permits, access to mining claims and logging areas, cross-country travel, placer mining permits, exploration permits, trapping cabin permits, and tideland permits.
- DNR Process approximately 150 applications for material sales, shore fishery leases, upland and tideland leases, lease renewals, rights-of-way, and interagency land management assignments.
- DNR Respond to Native allotment and ANCSA conveyance decisions by the federal government to reserve access to state land.
- DNR Process the typical new water right applications within 60 days, the typical new temporary water use authorization within 20 days. Process roughly one-fifth of the priority water right backlog.
- DNR Utilize local construction contractors to complete 12 park construction projects valued at \$14 million.
- DNR Protect popular trails of regional significance by securing trail easements from willing private property owners and dedicating those trails on land status plats.
- DNR Coordinate state oversight of TAPS with the U.S. Bureau of Land Management, to ensure safe, efficient transportation of North Slope oil to market so that TAPS remains available to bring North Slope crude to market.
- DNR Continue to offer 4,000 pre-designated parcels of land for sale to Alaskans over-the-counter; offer 100 new pre- designated parcels; and offer 250 parcels for sale under the remote recreational cabin program (“the stake-it-yourself program”).
- DNR Continue contracting for private operation of 12 state park facilities and for large concession contracts at three additional sites.
- DNR Transfer of Habitat permitting staff to DNR and integrate them into overall resource development timeframes.
- DNR Transfer the Alaska Office of Coastal Zone Management to DNR.

- DNR Facilitate special interagency project reviews through an interagency project team process for Oil & Gas or Federal projects such as: Pt. Thompson, Northwest NPR-A, Western North Slope Satellite, and BLM's "Ring-of-Fire" region.
- DNR Facilitate special interagency project reviews through an interagency project team process for Mineral Development projects such as: Pogo Mine, Green's Creek, True North, Donlin Creek, Red Dog, Kensington, and Illinois Creek.
- DNR Reduce the cost of interagency reviews by using on-line document access and electronic processing of comments, for example, Annual Placer Mining Applications.
- DEC Delegate inspection and compliance assurance responsibilities for retail food safety and public facilities to municipal governments.
- DEC Transfer the responsibility for maintaining state funded water and sewerage systems to both urban and rural governments.
- DEC Transfer wetland assessments to local governments.
- DEC Increase usage of general permits and "permit by rule" to expedite and reduce costs of permitting.
- DEC Streamline the review and approval of industry oil spill contingency plans, air and water permits by clarifying regulatory ambiguities, ensuring predictable, reliable time schedules, and specifying objective and clear measures.

Physical access – infrastructure and transportation

- DCED Encourage new international and domestic air carriers to use Alaska as a passenger and freight delivery point.
- DOTPF Bring Alaska's portion of the National Highway System up to national design standards.
- DOTPF Competitively select community transportation projects on a statewide-needs basis through an objective system, developed with community participation.
- DOTPF Evaluate new transportation segments that might support significant economic development.
- DOTPF Incorporate trails, recreational facilities, scenic enhancements and visitor services in our transportation program.
- DOTPF Use regional maintenance equipment pools, directed to the highest need, to reduce the number of maintenance vehicles.
- DOTPF Encourage local governments to assume ownership of local facilities.
- DOTPF Refurbish and maintain AMHS vessels to allow for continued operation.
- DOTPF Reduce financial losses for AMHS vessel services that are not required for safety reasons.
- DOTPF Work with communities to promote AMHS use.
- DOTPF Develop and implement AMHS regional plans, which increase efficiency while improving services to the public.
- DOTPF Maintain and construct Anchorage and Fairbanks airport infrastructure to give Alaska a competitive market advantage, especially for international and domestic cargo traffic and tourism.
- DOTPF Maintain and construct Anchorage and Fairbanks airport infrastructure to meet both required safety standards and capacity demands.
- DOTPF Provide Anchorage and Fairbanks airport facilities that support efficient operations and continued economic growth.
- DOTPF Provide a safe and secure Anchorage and Fairbanks airport environment for both air and ground operations.
- DNR Convey up to 40,000 acres of land to qualifying municipalities.

- DNR Oversee the construction of three new, and operation of ten existing common carrier petroleum pipelines on the North Slope, and report on the oversight.
- DNR Maintain inventory of historic and archaeological sites for use by developers, land managers and planners.
- DNR Provide overall logistical coordination and management for a major expansion of the Alaska Volcano Observatory volcano eruption monitoring capabilities that will improve safety in Alaska's air routes.
- DNR Complete 20 trail projects associated through federally funded National Recreation Trail Grant program.

Access to capital – available sources of funding

- DCED Enhance the availability and quality of basic local government services by providing financial assistance that supplements local revenue generation (State Revenue Sharing, Safe Communities, shared State Fisheries Business Tax, shared Federal National Forest Receipts, Federal Payment-in-Lieu-of-Taxes).
- DCED Promote local economic development by providing technical and financial support for community infrastructure critical to economic development and small business startup.
- DCED Provide assistance to communities experiencing sudden economic dislocation as a result of major economic disruptions.
- DOTPF Propose the use of different funding mechanisms for additional large construction projects.
- DOTPF Invest federal construction funds in projects that reduce maintenance costs.
- DOTPF Work toward implementing a stable funding base for operation, maintenance and improvements of facilities.
- DNR Coordinate, through the Natural Resource Conservation and Development Board, programs to obtain federal funding for agriculture related conservation and erosion control in Alaska.

Access to markets – export potential and lower cost imports

- DCED Partner with other state agencies, private businesses, Alaska Native Claims Settlement Act (ANCSA) corporations, tribes, and local governments to identify and develop opportunities for rural, regional and local economic development.
- DCED Facilitate the exchange of information between Alaska exporters and potential customers through business intelligence services and trade practice assistance.
- DCED Identify and assist in planning and developing new tourism opportunities to expand Alaska's tourist season and increase visits to rural Alaska.
- DCED Increase independent visitors on Alaska's highways and roads.
- DCED In partnership with a private industry association, raise national and international awareness of Alaska as a tourist destination, and increase the consumption of Alaska seafood products through generic and targeted marketing.
- DCED Organize and conduct business trade missions to expand product sales in current markets and develop new markets.
- DCED Participate in special promotions and presentations, trade shows and seminars to raise the visibility of Alaska as a good place to do business.
- DCED Visit corporate boardrooms to solicit investment in Alaska.

- DOTPF Promote passenger service between Alaska and international destinations.
- DNR Increase Alaska's market share of world exploration dollars and increase mining employment, by continued encouragement and providing services that facilitate development of the mining industry.
- DEC Educate the food service industry and consumers on seafood safety hazards.

Access to technology – modern, low cost communication and Internet access to information and services

- DCED Make information on Alaska's economy, goods and services, investment opportunities, and departmental databases available on the Internet.
- DCED Expand the public's ability to obtain department services through the Internet.
- DCED Expedite the conversion of Alaska's telecommunications industry from a monopoly-based to a competitive, market-based industry structure, while guaranteeing universal access to service.
- DCED Assist businesses and consumers by placing the database of licensed professionals, corporations, and insurance carriers on the Internet, including information about disciplinary actions.
- DCED Create simple, self-explanatory securities, corporations, insurance, and occupational licensing applications and forms available on the Internet to improve service to the public and reduce requests for staff assistance.
- DNR Sustain Alaska's mineral industry investments by completing geophysical/geological mineral inventory surveys of Alaska lands and publish the associated maps.
- DNR Create employment opportunities in rural Alaska by conducting enhanced geological surveys of Alaska's historical placer mining districts incorporating remote sensing technologies to identify new prospective areas.
- DNR Streamline and improve the Recorder's Office operations to better meet the workload and user demand by incorporating current technology, such as electronic transactions.
- DNR Deploy an enterprise Geographic Information System (GIS) based on DNR land records – re-invent the State Status Plat to work as an interactive digital product using relational database. Advance the goal of Enterprise GIS across state agencies.
- DNR Provide DNR staff and the public with a more integrated view of land information by linking the business transactions with the mapping systems on a desktop as much as possible.
- DNR Maintain the state's land database through the notation of 20,000 state resource transactions affecting 6,000 townships; reduce notation cycle time. Make the information available to the public over the Internet.
- DNR Continue efforts to utilize on-line application, notice and receipt of comment for state land sales, land offerings, and permit applications.
- DNR Provide rapid responses to requests for technical assistance or information on engineering geology issues and geologic hazards in Alaska associated with land leases, sales, or permitting processes.
- DNR Move Uniform Commercial Code Filings to a fully electronic and paperless operation; implement new UCC national standards.
- DEC Expand internet services for on-line permitting, application and information.

Access to jobs – employment training and opportunities

- DLWD Increase marketing of employment services to Alaska employers.
- DLWD Provide partial income replacement to insured workers during periods of temporary unemployment through an efficient and convenient application process.
- DLWD Assist Alaskans' to achieve higher education, vocational education, and employment by providing adult basic education services.
- DLWD Conduct at least 411 health and safety consultations per year. Provide training to 1,944 employers and workers per year.
- DLWD Establish priorities for assistance and compliance activities for high-hazard industries.
- DLWD Increase utilization of the Fishermen's Fund through outreach to fishermen and providers.
- DLWD Increase efforts to educate employers about child labor laws and prioritize child labor law enforcement to prevent employment of minors in hazardous occupations.

Access to resources – energy and sustainable resource development

- DCED Improve the safety and cost effectiveness of energy sources for power generation and heating in rural Alaska by constructing and repairing bulk fuel storage facilities.
- DCED Protect the State's investments in rural electric power systems through training of the local operators and administrators, and by providing technical and financial assistance to prevent disasters.
- DCED Ensure that residents of small rural communities in western Alaska get the maximum benefits from their participation in the Community Development Quota (CDQ) program, a fisheries development initiative.
- DNR Provide management and oversight for three new oil and gas units, four new participating areas, three unit or participating area expansion/contractions, and 43 plans of development.
- DNR Identify new areas capable of hosting major oil and gas discoveries.
- DNR Conduct 1,400 produce inspections, including local field inspections, military and commercial; seed certification, and issue certificates for export products.
- DNR Generate state revenues and local economic development by offering up to 38.8 million board feet of timber with emphasis on value added products.
- DNR Implement recommendations from the Spruce Bark Beetle Strategy Task Force with other landowners on the Kenai.
- DNR Complete the master plan revisions to the Chena River State Recreation Area.
- DNR Operate 121 state park units and maintain park access for 4.3 million visits.
- DNR Reforest all state land harvested for timber.
- DNR Provide management oversight to 3.3 million acres of legislatively designated public use, recreation areas, trails, and 15 special use areas; and provide co-management oversight of 5.4 million acres of legislatively designated game refuges, critical habitat areas, sanctuaries, and wildlife ranges.
- DEC Sample and test Alaska's wild seafood for the presence of heavy metals and other persistent bioaccumulative toxins.
- DEC Sample and test Alaska's commercial shellfish (geoducks, clams, oysters, and mussels) for the presence of paralytic shellfish poison toxins.

- DEC Sample and test the quality of water bodies at risk from pollution and monitor the quality of wastewater discharges.
- DEC In partnership with local governments and landowners, develop and implement non-point source water pollution control best management practices.
- DEC Develop and implement strategies to improve water quality in impaired water bodies to support multiple uses.

DEPARTMENT OBJECTIVES CODE KEY

- L – LEGAL ACCESS
- P – PHYSICAL ACCESS
- C – CAPITAL ACCESS
- M – MARKET ACCESS
- T – TECHNOLOGY ACCESS
- J – JOBS ACCESS
- R – RESOURCES ACCESS

Department of Community & Economic Development

Department Mission

The mission of the Department of Community and Economic Development (DCED) is to promote independent sustainable communities and economic development in Alaska.

Department Goals and Strategies

1. STRENGTHEN RURAL COMMUNITIES.
 - N/A Increase the capacity of local government to effectively provide essential public services by providing communities training and onsite technical assistance.
 - C Enhance the availability and quality of basic local government services by providing financial assistance that supplements local revenue generation (State Revenue Sharing, Safe Communities, shared State Fisheries Business Tax, shared Federal National Forest Receipts, Federal Payment-in-Lieu-of-Taxes).
 - C Promote local economic development by providing technical and financial support for community infrastructure critical to economic development and small business startup.
 - C Provide assistance to communities experiencing sudden economic dislocation as a result of major economic disruptions.
 - R Improve the safety and cost effectiveness of energy sources for power generation and heating in rural Alaska by constructing and repairing bulk fuel storage facilities.
 - R Protect the State's investments in rural electric power systems through training of the local operators and administrators, and by providing technical and financial assistance to prevent disasters.
2. WORK WITH RURAL COMMUNITIES AND THE PRIVATE SECTOR IN CREATING NEW JOBS FOR ALASKANS.
 - R Ensure that residents of small rural communities in western Alaska get the maximum benefits from their participation in the Community Development Quota (CDQ) program, a fisheries development initiative.
 - M Partner with other state agencies, private businesses, Alaska Native Claims Settlement Act (ANCSA) corporations, tribes, and local governments to identify and develop opportunities for rural, regional and local economic development.
 - M Facilitate the exchange of information between Alaska exporters and potential customers through business intelligence services and trade practice assistance.
 - M Identify and assist in planning and developing new tourism opportunities to expand Alaska's tourist season and increase visits to rural Alaska.
 - P Encourage new international and domestic air carriers to use Alaska as a passenger and freight delivery point.
 - M Increase independent visitors on Alaska's highways and roads.
 - N/A Work with the Governor's Office in seeking solutions and strategies for improving the economic climate in rural Alaska.
3. PROMOTE ALASKA'S GOODS AND SERVICES THROUGHOUT THE WORLD.
 - M In partnership with a private industry association, raise national and international awareness of Alaska as a tourist destination, and increase the consumption of Alaska seafood products through generic and targeted marketing.
 - M Organize and conduct business trade missions to expand product sales in current markets and develop new markets.
 - M Participate in special promotions and presentations, trade shows and seminars to raise the visibility of Alaska as a good place to do business.
 - M Visit corporate boardrooms to solicit investment in Alaska.
 - T Make information on Alaska's economy, goods and services, investment opportunities, and departmental databases available on the Internet.

- T Expand the public's ability to obtain department services through the Internet.
- 4. MAINTAIN A FAIR AND CONSISTENT BUSINESS REGULATORY ENVIRONMENT IN THE STATE.
- T Expedite the conversion of Alaska's telecommunications industry from a monopoly-based to a competitive, market-based industry structure, while guaranteeing universal access to service.
- T Assist businesses and consumers by placing the database of licensed professionals, corporations, and insurance carriers on the Internet, including information about disciplinary actions.
- T Create simple, self-explanatory securities, corporations, insurance, and occupational licensing applications and forms available on the Internet to improve service to the public and reduce requests for staff assistance.

Department of Transportation/Public Facilities

Department Mission

To improve the quality of life for Alaskans by cost effectively providing, operating and maintaining safe, environmentally sound and reliable transportation systems and public facilities.

Department Goals and Strategies

1. IMPROVE THE WAY ALASKA BUILDS AND MAINTAINS ITS TRANSPORTATION SYSTEM, WITH A SIGNIFICANT COMMITMENT TO PUBLIC PARTICIPATION IN DEVELOPMENT OF THE STATE TRANSPORTATION IMPROVEMENT PROGRAM (STIP) AND CAPITAL BUDGET.
 - P Bring Alaska's portion of the National Highway System up to national design standards.
 - P Competitively select community transportation projects on a statewide-needs basis through an objective system, developed with community participation.
 - P Evaluate new transportation segments that might support significant economic development.
 - P Incorporate trails, recreational facilities, scenic enhancements and visitor services in our transportation program.
 - C Propose the use of different funding mechanisms for additional large construction projects.

2. PROTECT ALASKA'S INVESTMENT IN INFRASTRUCTURE BY MAINTAINING AND OPERATING OVER 14,000 LANE MILES OF STATE ROADS, ALMOST 600 BUILDINGS, 261 RURAL AIRPORTS AND 73 PORTS AND HARBORS.
 - C Invest federal construction funds in projects that reduce maintenance costs.
 - P Use regional maintenance equipment pools, directed to the highest need, to reduce the number of maintenance vehicles.
 - N/A Implement a management structure which will identify and transfer cost saving maintenance techniques to other regions.
 - P Encourage local governments to assume ownership of local facilities.
 - C Work toward implementing a stable funding base for operation, maintenance and improvements of facilities.

3. OPERATE THE ALASKA MARINE HIGHWAY SYSTEM TO MEET THE SURFACE TRANSPORTATION NEEDS OF SOUTHEAST, SOUTHWEST AND SOUTHCENTRAL ALASKA COMMUNITIES.
 - P Refurbish and maintain AMHS vessels to allow for continued operation.
 - P Reduce financial losses for AMHS vessel services that are not required for safety reasons.
 - P Work with communities to promote AMHS use.
 - P Develop and implement AMHS regional plans, which increase efficiency while improving services to the public.

4. MAINTAIN, OPERATE AND PROMOTE ANCHORAGE AND FAIRBANKS INTERNATIONAL AIRPORTS, WHICH ARE VITAL TO THE STATE'S ECONOMY.
 - P Maintain and construct Anchorage and Fairbanks airport infrastructure to give Alaska a competitive market advantage, especially for international and domestic cargo traffic and tourism.
 - P Maintain and construct Anchorage and Fairbanks airport infrastructure to meet both required safety standards and capacity demands.
 - M Promote passenger service between Alaska and international destinations.
 - P Provide Anchorage and Fairbanks airport facilities that support efficient operations and continued economic growth.
 - P Provide a safe and secure Anchorage and Fairbanks airport environment for both air and ground operations.

Department of Natural Resources

Department Mission

Develop, conserve, and maximize the use of Alaska's natural resources consistent with the public interest.

Department Goals and Strategies

1. ENCOURAGE RESOURCE DEVELOPMENT THAT CREATES ALASKA JOBS AND ENSURES ECONOMIC GROWTH IN ALL REGIONS OF THE STATE.

- L Convey rights to explore for, develop, and produce oil and gas by conducting four competitive oil and gas lease sales and issuing oil and gas exploration licenses and shallow gas leases.
- R Provide management and oversight for three new oil and gas units, four new participating areas, three unit or participating area expansion/contractions, and 43 plans of development.
- T Sustain Alaska's mineral industry investments by completing geophysical/geological mineral inventory surveys of Alaska lands and publish the associated maps.
- R Identify new areas capable of hosting major oil and gas discoveries.
- M Increase Alaska's market share of world exploration dollars and increase mining employment, by continued encouragement and providing services that facilitate development of the mining industry.
- L Process new mining claims within three weeks of filing; and efficiently administer the existing 50,000 claims; efficiently process 10 new mining leases and 1,000 new mineral prospecting sites.
- L Process over 600 permit applications for commercial and guided recreation use on state park lands.
- L Continue to seek a concession contract operator for adaptive re-use of the historic buildings at Independence Mine State Historic Park as a year around visitor destination.
- P Convey up to 40,000 acres of land to qualifying municipalities.
- N/A Support the School Trust Lands valuation and litigation in order for it to be completed.
- R Generate state revenues and local economic development by offering up to 38.8 million board feet of timber with emphasis on value added products.
- N/A Increase revenues generated from Alaska Mental Health Trust Lands over time in a manner consistent with trust management principles.
- L Provide an expanded agriculture base by preparing 40 land disposal parcels with 9,000 acres, and continue management of 30 grazing leases opportunities on grassland areas.
- L Process 500 land use permit applications, including commercial guides permits, access to mining claims and logging areas, cross-country travel, placer mining permits, exploration permits, trapping cabin permits, and tideland permits.
- L Process approximately 150 applications for material sales, shore fishery leases, upland and tideland leases, lease renewals, rights-of-way, and interagency land management assignments.
- L Respond to Native allotment and ANCSA conveyance decisions by the federal government to reserve access to state land.
- T Create employment opportunities in rural Alaska by conducting enhanced geological surveys of Alaska's historical placer mining districts incorporating remote sensing technologies to identify new prospective areas.
- L Process the typical new water right applications within 60 days, the typical new temporary water use authorization within 20 days. Process roughly one-fifth of the priority water right backlog.
- L Utilize local construction contractors to complete 12 park construction projects valued at \$14 million.

2. "DOING IT RIGHT": ENSURE RESOURCE DEVELOPMENT PLANNING, MANAGEMENT AND NEW PROJECT APPROVALS ARE BASED ON 1) SOUND SCIENCE, 2) PRUDENT MANAGEMENT, AND 3) RESPONSIVE, MEANINGFUL PUBLIC INVOLVEMENT.

- P Oversee the construction of three new, and operation of ten existing common carrier petroleum pipelines on the North Slope, and report on the oversight.
- L Protect popular trails of regional significance by securing trail easements from willing private property owners and dedicating those trails on land status plats.
- L Coordinate state oversight of TAPS with the U.S. Bureau of Land Management, to ensure safe, efficient transportation of North Slope oil to market so that TAPS remains available to bring North Slope crude to market.
- N/A Supervise the safety inspection of approximately 15 dams and test emergency action plans for three high-risk dams.
- N/A Evaluate areas subject to major hazards like floods, earthquakes, volcanic eruptions, and landslides to help predict likelihood and severity of future major events.
- R Conduct 1,400 produce inspections, including local field inspections, military and commercial; seed certification, and issue certificates for export products.
- P Maintain inventory of historic and archaeological sites for use by developers, land managers and planners.
- R Implement recommendations from the Spruce Bark Beetle Strategy Task Force with other landowners on the Kenai.
- C Coordinate, through the Natural Resource Conservation and Development Board, programs to obtain federal funding for agriculture related conservation and erosion control in Alaska.
- R Complete the master plan revisions to the Chena River State Recreation Area.
- P Provide overall logistical coordination and management for a major expansion of the Alaska Volcano Observatory volcano eruption monitoring capabilities that will improve safety in Alaska's air routes.

3. ENSURE RESOURCE SUSTAINABILITY AND MULTIPLE USE, INCLUDING RECREATIONAL ENJOYMENT OF THE RESOURCE BASE.

- R Operate 121 state park units and maintain park access for 4.3 million visits.
- N/A Manage 350-500 wildfires of varying sizes.
- R Reforest all state land harvested for timber.
- R Provide management oversight to 3.3 million acres of legislatively designated public use, recreation areas, trails, and 15 special use areas; and provide co-management oversight of 5.4 million acres of legislatively designated game refuges, critical habitat areas, sanctuaries, and wildlife ranges.
- L Continue to offer 4,000 pre-designated parcels of land for sale to Alaskans over-the-counter; offer 100 new pre-designated parcels; and offer 250 parcels for sale under the remote recreational cabin program ("the stake-it-yourself program").
- N/A Cooperate with local, state and federal agencies, private and public organizations and individuals to deliver nationally approved, effective, and relevant boating safety education programs, with a focus on children and high-risk boaters.
- N/A In cooperation with the Alaska State Snowmobile Association implement a statewide snowmobile & avalanche safety education program.
- N/A Administer snowmobile trail grants, and safety and education grants to local snowmobile clubs and agencies.
- L Continue contracting for private operation of 12 state park facilities and for large concession contracts at three additional sites.
- P Complete 20 trail projects associated through federally funded National Recreation Trail Grant program.

4. STREAMLINE NATURAL RESOURCE LEASING, SALES, AND PERMITTING PROCESSES.

- L Transfer of Habitat permitting staff to DNR and integrate them into overall resource development timeframes.
- L Transfer the Alaska Office of Coastal Zone Management to DNR.

- L Facilitate special interagency project reviews through an interagency project team process for Oil & Gas or Federal projects such as: Pt. Thompson, Northwest NPR-A, Western North Slope Satellite, and BLM's "Ring-of-Fire" region.
- L Facilitate special interagency project reviews through an interagency project team process for Mineral Development projects such as: Pogo Mine, Green's Creek, True North, Donlin Creek, Red Dog, Kensington, and Illinois Creek.
- T Streamline and improve the Recorder's Office operations to better meet the workload and user demand by incorporating current technology, such as electronic transactions.
- T Deploy an enterprise Geographic Information System (GIS) based on DNR land records – re-invent the State Status Plat to work as an interactive digital product using relational database. Advance the goal of Enterprise GIS across state agencies.
- T Provide DNR staff and the public with a more integrated view of land information by linking the business transactions with the mapping systems on a desktop as much as possible.
- T Maintain the state's land database through the notation of 20,000 state resource transactions affecting 6,000 townships; reduce notation cycle time. Make the information available to the public over the Internet.
- T Continue efforts to utilize on-line application, notice and receipt of comment for state land sales, land offerings, and permit applications.
- T Provide rapid responses to requests for technical assistance or information on engineering geology issues and geologic hazards in Alaska associated with land leases, sales, or permitting processes.
- T Move Uniform Commercial Code Filings to a fully electronic and paperless operation; implement new UCC national standards.
- L Reduce the cost of interagency reviews by using on-line document access and electronic processing of comments, for example, Annual Placer Mining Applications.

Department of Labor and Workforce Development

Department Mission

The mission of the Department of Labor and Workforce Development is to promote safe and fair working conditions and to advance opportunities for employment.

Proposed Change:

The mission of the Department of Labor and Workforce Development is to provide safe and legal working conditions and to advance opportunities for employment.

Department Goals and Strategies

1. HELP ALASKANS FIND WORK.
 - J Increase marketing of employment services to Alaska employers.
 - J Provide partial income replacement to insured workers during periods of temporary unemployment through an efficient and convenient application process.
 - J Assist Alaskans' to achieve higher education, vocational education, and employment by providing adult basic education services.

2. ENSURE THAT ALASKAN WORKERS, ARE PROVIDED SAFE AND HEALTHY WORKPLACES, ARE PROTECTED FROM ECONOMIC HARDSHIP WHEN INJURED ON THE JOB OR WHEN TEMPORARILY UNEMPLOYED, AND RECEIVE WAGES AND OVERTIME PAY IN ACCORDANCE WITH THE ALASKA WAGE AND HOUR ACT.
 - J Conduct at least 411 health and safety consultations per year. Provide training to 1,944 employers and workers per year.
 - J Establish priorities for assistance and compliance activities for high-hazard industries.
 - J Increase utilization of the Fishermen's Fund through outreach to fishermen and providers.
 - J Increase efforts to educate employers about child labor laws and prioritize child labor law enforcement to prevent employment of minors in hazardous occupations.

Department of Environmental Conservation

Department Mission

Protect human health and the environment.

Department Goals and Strategies

1. AS AUTHORIZED SUBDIVISIONS OF THE STATE, ENCOURAGE LOCAL GOVERNMENTS TO PLAY A GREATER ROLE IN THE ENFORCEMENT OF STATE STANDARDS FOR SANITATION AND SANITARY PRACTICES.

- L Delegate inspection and compliance assurance responsibilities for retail food safety and public facilities to municipal governments.
- L Transfer the responsibility for maintaining state funded water and sewerage systems to both urban and rural governments.
- L Transfer wetland assessments to local governments.

2. ESTABLISH SPECIFIC, PREDICTABLE, CONSISTENT AND CLEAR PERMIT REQUIREMENTS AND SPILL CLEAN-UP STANDARDS WITH RELIABLE TIME SCHEDULES FOR DEPARTMENT AUTHORIZATIONS, REVIEWS AND APPROVALS.

- T Expand internet services for on-line permitting, application and information.
- L Increase usage of general permits and "permit by rule" to expedite and reduce costs of permitting.
- L Streamline the review and approval of industry oil spill contingency plans, air and water permits by clarifying regulatory ambiguities, ensuring predictable, reliable time schedules, and specifying objective and clear measures.

3. JUSTIFY CONFIDENCE IN THE QUALITY AND SAFETY OF ALASKA'S FISHERIES.

- R Sample and test Alaska's wild seafood for the presence of heavy metals and other persistent bioaccumulative toxins.
- R Sample and test Alaska's commercial shellfish (geoducks, clams, oysters, and mussels) for the presence of paralytic shellfish poison toxins.
- M Educate the food service industry and consumers on seafood safety hazards.

4. JUSTIFY CONFIDENCE IN THE QUALITY AND USE OF ALASKA'S WATER RESOURCES.

- R Sample and test the quality of water bodies at risk from pollution and monitor the quality of wastewater discharges.
- R In partnership with local governments and landowners, develop and implement non-point source water pollution control best management practices.
- R Develop and implement strategies to improve water quality in impaired water bodies to support multiple uses.

5. COLLECT AND COMMUNICATE INFORMATION FOR EVALUATING THE DEPARTMENT'S SERVICE DELIVERY AND PERFORMANCE PRIORITIES.

- N/A Collect data to report on performance measures, and report results and outcomes.
- N/A Present to the legislature, the general public and others a program priority-funding matrix which illustrates the allocation of human and fiscal resources to services.

Appendix B

Appendix B

“Principles & Guidelines”

Basic Guiding Principles for any State Capital project:

- Projects must be sustainable. If a proposed project is not affordable, the source of the appropriate subsidy must be identified prior to construction.
- The State will generally not select individual projects for funding without evidence of local government support.
- Projects leading to quality careers and jobs will have priority.
- Projects should be compatible with local cultures and values.
- Projects that provide economic self-sufficiency, broad societal benefits, and/or substantial health and safety benefit, will generally receive priority over those that provide more narrow benefits.
- Projects should have broad public involvement and support. Evidence of support might include endorsement by affected local government councils (municipal, Tribal, IRA, etc.), participation by local governments in planning and overseeing work, and local cost sharing on an 'ability to pay' basis.
- Priority will generally be given to projects with substantial cost sharing.
- Priority will generally be given to projects with a demonstrated commitment to local hire and high wages.
- State funds may supplement existing funding, but will not replace existing federal, local government, or private funding.
- The State will give priority to funding needs that are most clearly a state responsibility.
- State funds will not be used to create unfair competition with private enterprise.
- Priority will be given to Alaska hire materials and Alaska business.
- The high cost of infrastructure in rural Alaska makes it infeasible for the total costs of all services in all communities to be borne by local users; however, to the extent feasible, user rates should include all costs necessary to achieve sustainability.
- All practical steps should be taken, including simplification of projects, standardization of infrastructure, combining of utilities, regionalization of utility management structures, bulk purchase of fuels, training and development of management personnel and other actions that reduce the cost of sustainable infrastructure.
- Before State funding is applied to the construction of any infrastructure project there must be a sound business plan. The State considers sound business planning as a key process in defining sustainability to ensure funded infrastructure projects will be operated and maintained and demonstrating how all costs, which are necessary to assure a sustainable project or level of service, will be covered.

- All parties to State funded projects within their spheres of responsibility, as individual entities or in collaborative efforts, will seek to reduce the cost of sustainable projects and support subsidies that are demonstrated as necessary to ensure that basic infrastructure and essential services are available in rural Alaska at an affordable cost

Additional Guiding Principles for Infrastructure:

- A project should be consistent with a comprehensive community and/or borough plan.
- Any organization seeking state funding assistance must have a demonstrated commitment to operation and maintenance of the facility for its design life. This commitment would normally include an institutional structure to levy and collect user fees if necessary, to account for and manage financial resources, and having trained and certified personnel necessary to operate and maintain the facility.

Additional Guiding Principles for Economic Development:

- Priority will be given to projects that enhance employment in high unemployment areas of the State (economically distressed), with emphasis on sustainable, long-term local jobs or career opportunities.
- Projects should be consistent with statewide or borough plans.
- The State may fund demonstration projects that are not a part of a regional or statewide economic development plan if such projects have significant potential to contribute to economic development.

Additional Guiding Principles for Training:

- Training should increase the skills and knowledge of local residents to become employed on jobs created by the State's investment in public facilities in a community.
- In order to protect the state investment, training should increase the local capacity to operate and maintain public infrastructure.

Appendix C

Tununak IRA Council

NATIVE VILLAGE OF TUNUNAK

P.O. BOX 77

TUNUNAK, ALASKA 99681

(907) 682-6927

A RESOLUTION SUPPORTING THE NELSON ISLAND SUBREGIONAL ROAD

WHEREAS, the Native Village of Tununak is a federally recognized tribe (hereinafter, referred to as ("Tribe")); and

WHEREAS, the Tununak IRA Council is the governing body of the Tribe; and

WHEREAS, the Tununak IRA Council has developed a 20-year transportation plan to be included as part of the Alaska Region's 20-year plan; and

WHEREAS, the Tununak IRA Council has supported and participated in the preparation of the Nelson Island Subregional Transportation Plan with three other Nelson Island Tribes; and

WHEREAS, the Tununak IRA Council is in agreement with the conclusion of the 2003 draft of the Nelson Island Subregional Transportation Plan; and

WHEREAS, the Tununak IRA Council supports the construction of the subregional road system as shown in the 2003 Nelson Island Subregional Transportation Plan; and

WHEREAS, the Tununak IRA Council agrees to work in cooperation with the three other Nelson Island Tribes to support the construction of the Subregional road system;

WHEREAS, the Tununak IRA Council agrees to have Kuskokwim Architects & Engineers provide technical services and assist the Tribe with organizing meetings.

NOW THEREFORE, BE IT RESOLVED, that the Tununak IRA Council approves the 2003 Nelson Island Subregional Transportation Plan upon successful completion of the environmental report along the preliminary road alignments.

NOW THEREFORE, BE IT RESOLVED, that the Tununak IRA Council hereby agrees to work in cooperation with the other three Tribes on Nelson Island that have previously been involved with the subregional transportation planning process and to commit \$21,750 from FY 2003 LRTP BIA funding toward the effort to secure funding for construction of the subregional road project.

CERTIFICATION:

I, the undersigned, hereby certify that the Tununak IRA Council is composed of 7 members of whom 5 are present at the meeting held this Date 8-23-03, and the resolution was adopted by a vote of 5 for and 0 voting against, and 0 abstaining.

[Signature]
Authorized Signature

11/23/03
Date

[Signature]
Witness

1/23/03
Date

NIGHTMUTE TRADITIONAL COUNCIL

P.O. Box 90021
NIGHTMUTE, AK 99690
Phone (907) 647-6112 Fax 6112

RESOLUTION No. 03-01-02

A RESOLUTION SUPPORTING THE NELSON ISLAND SUBREGIONAL ROAD

WHEREAS: the Native Village of Nightmute is a federally recognized tribe (hereinafter, referred to as "Tribe"); and,

WHEREAS: the Nightmute Traditional Council is the governing body of the Tribe; and,

WHEREAS: the Tribal Council has developed a 20-year transportation plan to be included as part of the Alaska Region's 20-year transportation plan; and,

WHEREAS: the Tribe has supported and participated in the preparation of the Nelson Island Subregional Transportation Plan with three other Nelson Island Tribes; and,

WHEREAS: the Tribe is in agreement with the conclusion of the 2003 draft of the Nelson Island Transportation Plan; and,

WHEREAS: the Tribe supports the construction of the subregional road system as shown in the 2003 Nelson Island Subregional Transportation Plan; and,

WHEREAS: the Tribe agrees to work in cooperation with the three other Nelson Island Tribes to support the construction of the subregional road system; and,


WHEREAS: the Tribe agrees to have Kuskoquim Architects & Engineers provide technical services and assist the Tribe with organizational meetings.

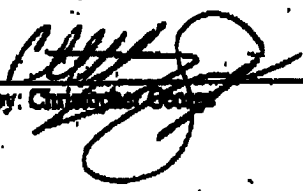
NOW THEREFORE BE IT RESOLVED, that the Nightmute Traditional Council approves the 2003 Nelson Island Subregional Transportation Plan upon successful completion of the environmental report along the preliminary road alignments.

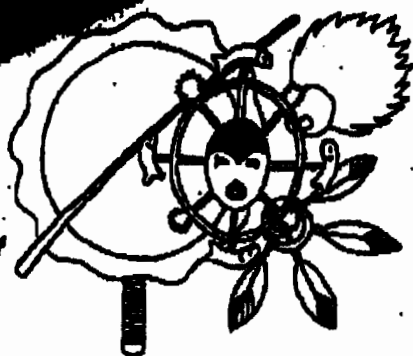
ALSO BE IT FURTHER RESOLVED, that the Nightmute Traditional Council hereby agrees to work in cooperation with the other three Tribes on Nelson Island that have previously been involved with the subregional transportation planning process and to commit \$21,750 from the FY 2003 LRTF BIA funding toward the effort to secure funding for construction of the subregional road project.

CERTIFICATION

We, the undersigned, hereby certify that the Nightmute Traditional Council is composed of seven members of whom 5 are present at the duly called meeting held this 22 day of January, 2003 and the resolution was adopted by a vote of 5 for and 0 voting against and 0 abstaining.


Joseph Post, President


Attested by: Christopher Boone



Nunakuyak Traditional Council

Resolution No. 2003-01-006
Nunakuyak Traditional Council
Toksook Bay

A RESOLUTION SUPPORTING THE NELSON ISLAND SUBREGIONAL ROAD

- WHEREAS, the Nunakuyavaiut Tribe is a federally recognized tribe (hereinafter, referred to as "Tribe"); and
- WHEREAS, the Nunakuyak Traditional Council (NTC) is the governing body of the Tribe; and
- WHEREAS, the NTC has developed a 20-year transportation plan to be included as part of the Alaska Region's 20-year transportation plan; and
- WHEREAS, the NTC has supported and participated in the preparation of the Nelson Island Subregional Transportation Plan with three other Nelson Island Tribes; and
- WHEREAS, the NTC is in agreement with the conclusion of the 2003 draft of the Nelson Island Subregional Plan; and
- WHEREAS, the NTC supports the construction of the subregional road system as shown in the 2003 Nelson Island Subregional Transportation Plan; and
- WHEREAS, the NTC agrees to work in cooperation with the three other Nelson Island Tribes to support the construction of the subregional road system;
- WHEREAS, the NTC agrees to have Kuukukwiz Architects & Engineers provide technical services and assist the Tribe with organizing meetings.

NOW THEREFORE, BE IT RESOLVED, that the NTC approves the 2003 Nelson Island Subregional Transportation Plan upon successful completion of the environmental report along the preliminary road alignments.

NOW THEREFORE, BE IT RESOLVED, that the NTC hereby agrees to work in cooperation with the other three Tribes on Nelson Island that have previously been involved with the subregional transportation planning process and to commit \$21,750 from FY 2003 LRTP BIA funding toward the effort to secure funding for construction of the subregional road project.

CERTIFICATION:

I, undersigned, hereby certify that the Nunakuyak Traditional Council is composed of 7 members of whom 7 are present at the meeting held this date Jan 23, 2003, and the resolution was adopted by a vote of 7 for and 0 voting against, and 0 sustaining.

David B. Tim
David B. Tim, President

01-23-03
Date:

Charles J. Moses
Charles J. Moses, Secretary

01/23/03
Date:

07/31/03

12:35

NO. 095

D03

Unkumiat Tribal Council
P.O. Box 90062
Nigtmute, Alaska 99690
Phone (907) 647-6145 Fax (907) 647-6146

RESOLUTION NO. 01-21-03

A RESOLUTION SUPPORTING THE NELSON ISLAND SUBREGIONAL ROAD

WHEREAS, the Native Village of Unkumiat is a federally recognized tribe (hereinafter, referred to as "Tribe"); and

WHEREAS, the Unkumiat Tribal Council is the governing body of the Tribe; and

WHEREAS, the Unkumiat Tribal Council has developed a 20-year transportation plan to be included as part of the Alaska Region's 20-year transportation Plan; and

WHEREAS, the Unkumiat Tribal Council has supported and participated in the preparation of the Nelson Island Subregional Transportation Plan with three other Nelson Island Tribes; and

WHEREAS, the Unkumiat Tribal Council is in agreement with the conclusion of the 2003 draft of the Nelson Island Subregional Transportation Plan; and

WHEREAS, the Unkumiat Tribal Council supports the construction of the subregional road system as shown in the 2003 Nelson Island Subregional Transportation Plan; and

WHEREAS, the Unkumiat Tribal Council agrees to work in cooperation with the three other Nelson Island Tribes to support the construction of the subregional road system;

WHEREAS, the Unkumiat Tribal Council agrees to have Kuskokwim Architects & Engineers provide technical services and assist the Tribe with organizing meetings.

NOW THEREFORE, BE IT RESOLVED, that the Unkumiat Tribal Council approves the 2003 Nelson Island Subregional Transportation Plan upon successful completion of the environmental report along the preliminary road alignments.

NOW THEREFORE, BE IT RESOLVED, that the Unkumiat Tribal Council hereby agrees to work in cooperation with the other three Tribes on Nelson Island that have previously been involved with the subregional transportation planning process and to commit \$21,750 from the FY 2003-LRTP BIA funding toward the effort to secure funding for construction of the subregional road project.

CERTIFICATION:

I, the undersigned, hereby certify that the Unkumiat Tribal Council is composed of 5 members of whom 4 are present at the meeting held this Date 01-21-03, and the resolution was adopted by a vote of 4 for and 0 voting against, and 1 abstaining.

[Signature]
Authorized Signature

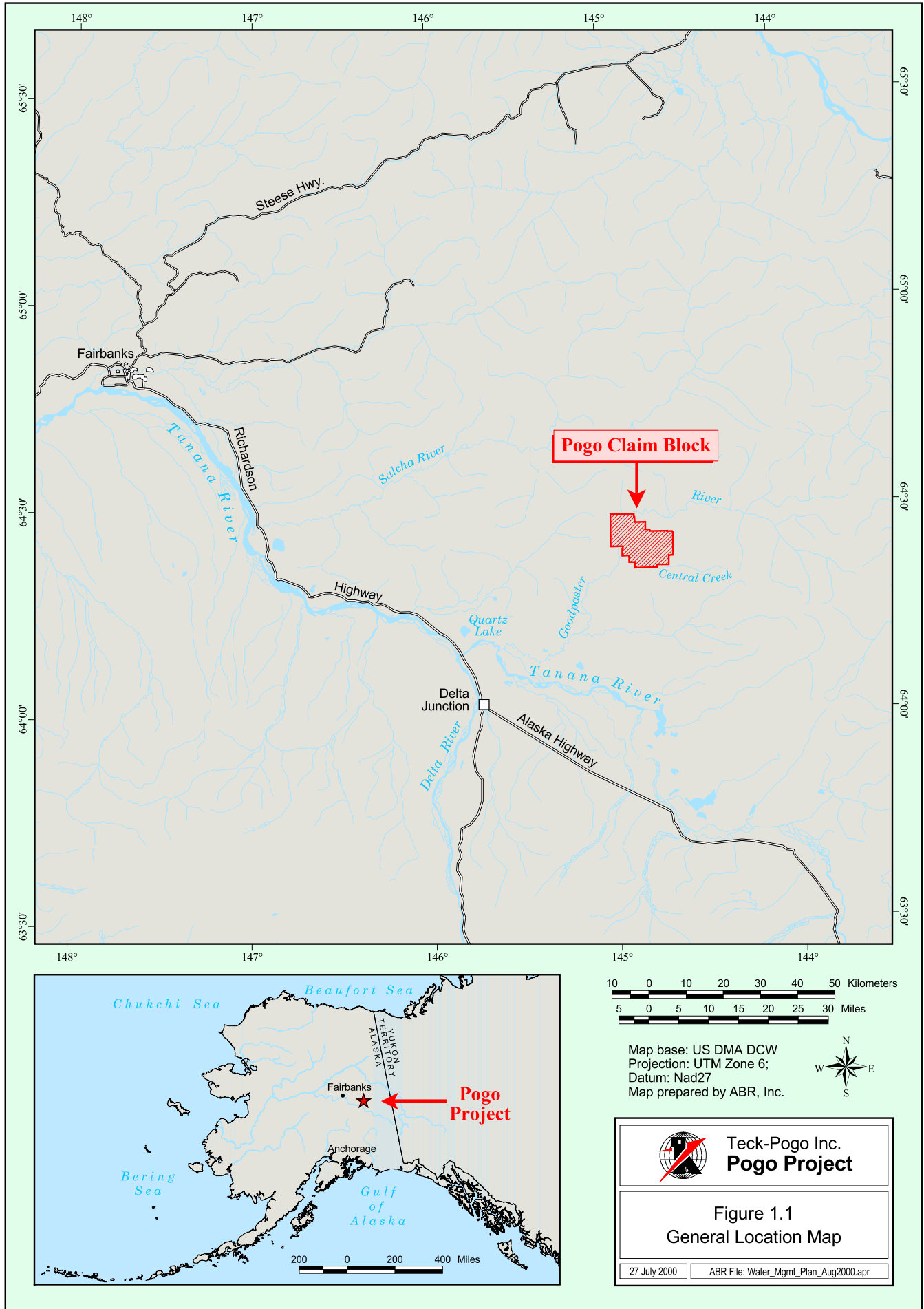
01/21/03
Date:

[Signature]
Witness

01/21/03
Date:

Appendix D

Appendix D



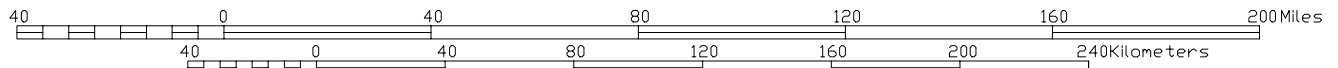
Appendix E

Appendix



Proposed AK Peninsula Areawide Oil and Gas Lease Sale

Proposed Sale Area =



Map created, edited, and published by the State of Alaska, Department of Natural Resources, Division of Oil and Gas.

Albers Equal-Area Conic Projection, 1927 North American Datum, Clarke 1866 ellipsoid with a central meridian of 159°30', origin latitude of 50°, northern parallel of 65°, and southern parallel of 55°. ADNR 7/03

Appendix F

Appendix F Location of Donlin Creek Mine

Source: NovaGold Technical Report – Preliminary Assessment, Donlin Creek Project, March 2002
<<http://www.sedar.com/csfsprod/data29/filings/00428747/00000001/p%3A%5CDHumes%5Creport.pdf>>

