

HCR

10

ALASKA STATE LEGISLATURE HOUSE RESOURCES COMMITTEE

Representative Jay Ramras
Co-Chairman
(907) 465-3004
Fax: (907) 465-2833
Representative_Jay_Ramras@legis.state.ak.us

119 N. Cushman St., Suite 213
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716 W. 4th Avenue
Anchorage, AK 99501

State Capitol, Juneau, Alaska 99801-1182

Sponsor Statement

HCR 10

"Supporting the development of the Kensington Gold Mine"

HCR 10 shows Alaskans that the Legislature supports the development of our natural resources. The latest proposal for mining is the Kensington Gold Mine near Alaska's Capital City. Development of this mine will provide nearly 300 new family wage jobs during construction and provide up to 225 long-term positions.

Kensington has been going through the legal and planning stages since 1998 and is probably one of the most closely scrutinized mining projects in the world. The environmental protections, that Kensington will be performing under is a credit to Coeur Alaska Incorporated. Since beginning work on the project Coeur Alaska has spent \$150,000,000 on the project.

HCR 10 will show both the Industry and the people that we are concerned with our environment and believe in sound science environmental practices as we continue to develop our natural resource base.

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HCR 10
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Legislature
 Title Supporting the development of the BRU Legislative Council
 Kensington Gold Mine. Component: Council and Subcommittees
 Sponsor House Resources Session
 Requestor House Resources Component No. 783

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation has zero fiscal impact on the Legislative Affairs Agency.

Prepared by: Karla Schofield, Deputy Director
 Division Administrative Services
 Approved by: Pamela Varni, Executive Director
 Agency Legislative Affairs Agency

Phone 465-6626
 Date/Time 4/27/05 10:12 AM
 Date 4/27/2005



United Southeast Alaska Gillnetters

P.O. Box 23378, Ketchikan, AK 99901 Phone & Fax (907) 247-2471 Email: usa_gillnetters@att.net

March 6, 2004

Steve Hohensee, SEIS Team Leader
Tongass Minerals Group
USDA Forest Service
8465 Old Dairy Road
Juneau, AK 99801

FAXED
3/7/04

Dear Mr. Hohensee,

The United Southeast Alaska Gillnetters (USAG) is an association of about 150 small business owners who catch salmon by drift gillnetting in Southeast Alaska and market salmon throughout the United States. Many of our members also participate in other fisheries such as crab, shrimp, longline, and dive fisheries.

It is the policy of USAG to support economic development projects in our area that contribute to the local economy in a positive manner, are sensitive to environmental concerns, and do not harm the fisheries resource on which our members depend. We believe the Coeur Alaska Kensington Gold Mine development is such a project. In conjunction with our support of this project, we believe alternative B is preferred for this project and we endorse this development option. We believe alternative B minimizes the amount of area disturbed, minimizes maintenance after the mine is closed and provides the greatest economic benefit from the project. We have discussed this project with the Department of Fish and Game and wish to express the following concerns. Within the general confines of our preferred development option B, we would like to see specific road locations kept as far upland of beach areas as practical, salt water developments located and constructed in a way that minimizes impact to herring spawning habitat and that conform to the recommendations of ADF&G, and where project roads must cross drainages they do so at as close to right angles as possible.

Over the evolution of this project, Coeur Alaska has accepted our input and attempted to minimize impacts on fisheries habitat. We like the public involvement process that Coeur Alaska and the Forest Service have used in this project and believe it should be used in the future for significant development projects.

SUPPORT

In conclusion, USAG supports the Kensington mine development alternative B, the minimizing of impacts due to road and marine construction in accordance with recommendations of ADF&G, and we support the public process used in the development and review of the alternatives. USAG thanks the USDA Forest Service for the opportunity to comment on the DSEIS and we hope you will select alternative B as the approved alternative.

Yours truly,



Kenneth Duckett
Executive Director

cc: Robert Richins, Coeur Alaska
Kevin Monagle, ADF&G

)

Southeast Alaska Fishermen's Alliance

9369 North Douglas Highway
Juneau, AK 99801



Phone 907-586-6652

Fax 907-586-5648

E-mail: seafa@gci.net

March 7, 2004

Steve Hohensee
SEIS Team Leader
Tongass Mineral Group
8465 Old Dairy Road
Juneau, AK 99801

Sent Via Fax 790-7464

RE: Kensington EIS - support Alternative B

Dear Steve Hohensee,

The Southeast Alaska Fishermen's Alliance is a non-profit group representing our membership involved in the salmon, crab, shrimp and longline fisheries of Southeast Alaska. We have been kept informed and consulted by Coeur Alaska as they worked through design modifications of the Kensington Mine. We believe that overall Alternative B will be less damaging to the marine environment that is so critical to the health of our commercial fishing industry. While Alternative B does impact resident Dolly Varden in Slate Creek Lake, Coeur has committed to replanting a population of Dolly Varden in the Lake at the end of operations. This is less damaging than previous alternatives discussed such as the use of Lynn Canal for underwater marine tailing disposal. We are also pleased that under Alternative B, cyanide is no longer used on site.

We support Alternative B in the SEIS out for public comment. If you have any questions regarding the fishermen's support for Alternative B, please give us a call at 907-586-6652.

Thank you,

Kathy Hansen
Executive Director

By Fax

August 5, 2004

Office of Water, Director, EPA Region 10, and
Department of the Army, US Army Corps of Engineers, and
Coeur, Alaska, Kensington Mine, and
Department of Natural Resources, DML&W

Regarding Kensington Mine:

Greetings:

I have commercially fished Bemers Bay for Dungeness crab with my family for 14 years, starting in 1990. I support development of the Kensington Mine project alternative B.

I have decided to trust Coeur in this project. Goldbelt owns the uplands at Cascade Point and should be free to develop their land in a wise manner.

Mining, commercial fishing, and timber harvest are part of what makes this state and country viable. Sport fishing and tourism are also very important. Let's keep working!

Sincerely,

Ted Deats
PO Box 87
Juneau, AK 99802

July 2004

Office of Water Director
EPA Region 10
1200 Sixth Avenue, OW-130
Seattle, WA 98101

Dear EPA:

Please issue Coeur Alaska's NPDES permit needed to open the Kensington Mine for the following reasons:

Fisherman

As A Life long Commercially I
Support the Issuing of their
Permit necessary to open the mine.
I believe Coeur has proposed a
Responsible Water Management Program that
will not have a major effect on
the Fish in Kerner's Bay. I believe
the water quality monitoring program
will be sufficient. I also have been
and lived in Homer AK. also AK

WAT/OP?

Sincerely,

Signature

William A. Thomas Jr.

Printed Name

Box 942

Address

Homer AK 99827

City, State & Zip

907-766-3365

Phone Number

August 2, 2004

Mr. John Leeds
Department of the Army
Juneau Field Office
Suite 106
8800 Glacier Highway
Juneau, Alaska 99801-8079

Dear Mr. Leeds,

I am writing in support of the Kensington Dredge and Fill Permit. As part of an old Kodiak fishing family, I have always been greatly concerned with protecting our fisheries and their habitat. I have watched the permitting process for the Kensington Mine over the years, and have been very impressed with the changes Cover has made to their tailings plans. I was opposed to the dry tailings stack, but support the Lower Slate Lake tailings facility. I am also happy to learn that the tailings would not be visible from Berner's Bay or Lynn Canal. I urge you grant this permit.

Sincerely,



Kristine Harder
1015 Otter Run
Juneau, Alaska 99801
907-790-3639



F/V Ocean Gold

Ed Hansen
Phone: 907-586-6632
Fax: 907-523-1168

9869 North Douglas Hwy
Juneau, Alaska 99801
Email: gillnet@ak.net

March 8, 2004

Steve Hohensee
SEIS Team Leader
Tongass Mineral Group
8485 Old Dairy Road
Juneau, AK 99801

Sent Via Fax 780-7484

RE: Kensington EIS - support Alternative B

Dear Steve Hohensee:

I am a commercial gillnet, troll, longline and halibut fisherman of Southeast Alaska and a 19 year Alaskan resident. I have been following the Kensington Mine process for many years and believe that Alternative B in the current SEIS is the most appropriate of the proposals that Coeur Alaska has brought to the attention of the commercial fishermen. We hope that you will support Alternative B as you move forward in the permitting process.

Thank you

Ed Hansen

SENT VIA FAX

Ed Hansen

Phoenix Marine Company, Inc.
P. O. Box 020670
Juneau, Alaska 99802

February 26, 2004

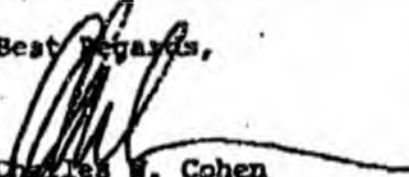
Steve Robenses, SEIS Team Leader
Tongass Minerals Group
USDA Forest Service
8465 Old Dairy Road
Juneau, AK 99801
Phone: (907) 586-8800 Fax: (907) 790-7464

Re: Kensington Gold Project

Dear Sir or Madam:

I am in support of the Kensington Gold Project and Alternative B. As a fisherman and business person, I believe Alternative B will best protect the environment while allowing an economically viable project which will benefit both Juneau and the region.

Best regards,


Charles W. Cohen
F/V LADY BARBARA

Haines Chamber of Commerce

"Your Business is Our Business"

February 23, 2004

Mr. Steve Hohensee, Tongass Minerals Group
Juncos Ranger District, Tongass National Forest
8465 Old Dairy Road
Juncos, AK 99801

Re: Kensington Gold Project SEIS

Dear Mr. Hohensee:

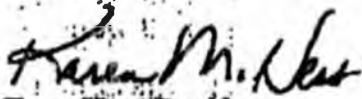
The Haines Chamber of Commerce Board of Directors would like to express its continued support for Coeur Alaska's Kensington Gold Project and their request of Alternative B as the most practical and preferred option.

We are pleased that Alternative B addresses concerns of the Lynn Canal fishing fleet regarding water quality and docking issues. Coeur's proposal also seems to better address transportation safety issues and offers better operational protection for fuel transfers and the like.

While it is of the utmost importance to mandate quality controls on a project of this magnitude, it is also very important to work with the industry to allow them to operate in a cost-effective manner. This project is important to Haines and the economy of the entire region.

Thank you for the opportunity to provide comments on the Kensington Gold Project SEIS. The Haines Chamber of Commerce Board of Directors asks that you give this proposal your support and approve Alternative B as requested by Coeur Alaska, Inc.

On behalf of the Board of Directors,



Karen Heat, President
Haines Chamber of Commerce

Cc: Rick Richins, Senior Vice President
Coeur Alaska, Inc.



P.O. Box 1403
219 Main Street #1
Haines, AK 99822
907-946-2282
907-946-2271 (fax)

www.haineschamber.com

Board of Directors

- Karen Heat, President
- Robert Vanden, Vice Pres.
- Lynne Walker, Secretary
- Rob Vancura, Treasurer
- Andy Harkin
- Debra Lynn Wilson-Hay
- Charles Jones
- Cynthia "CF" Jones
- Paul Hinkle

Staff

Jane Cedeno, Office Mgr.



February 24, 2004

Steve Hohensee, SEIS Team Leader
Tongass Minerals Group
USDA Forest Service
8465 Old Dairy Road
Juneau, AK 99801

Re: Sealaska Comments for the Kensington Gold Project and the Draft
Supplemental Environmental Impact Statement (DSEIS)

Dear Mr. Hohensee:

Sealaska Corporation is the Regional Corporation organized pursuant to the Alaska Native Claims Settlement Act of 1972, and is headquartered in Juneau, Alaska. We have a large shareholder base of approximately 17,000 shareholders, many of whom live and work in Southeast Alaska.

The U.S. Forest Service released a Draft Supplemental Environmental Impact Statement (SEIS) for an amendment to the approved Plan of Operations submitted by Coeur Alaska, Inc. (Coeur) for the Kensington Gold Project. Sealaska supports the DEIS Alternative B as this alternative will allow the mine to operate economically while meeting Alaska's water quality standards and will result in the smallest amount of land disturbance. The project must be economically viable for the project to move forward.

Coeur has been developing the Kensington Gold Project since 1987 and has invested millions of dollars in exploration, underground development, and environmental and engineering studies. The project has already been permitted twice, including two Environmental Impact Statements. The new project would involve:

- Underground mining at a rate of 2,000 tons per day for at least 10 years (significant new potential);
- Tailings management using Lower Slate Lake (no cyanide processing would occur; concentrate would be shipped offsite for processing);

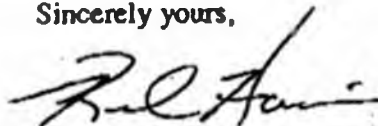
Steve Hohensee, SEIS Team Leader
February 19, 2004
Page 2

- Daily access of workers to the mine site by bus, then by boat from Cascade Point Dock to Slate Creek Cove Dock; and
- Access to the gold deposit via a 6,500-ft. tunnel connecting the Jualin and Kensington mines.

If this project is allowed to proceed, it offers the prospect of direct employment to not only Sealaska's shareholders and their families, but the rest of the Juneau and the community of Southeast Alaska as a whole. Local businesses will benefit as well by providing goods and services to the mine and to the families whose livelihood comes from working for the mine. There is a general economic benefit to the region overall by the associated increase in economic activity and the increased purchasing power that comes with this increase.

Coeur's amended plan of operations is a low cost, environmentally-superior project, and their continued commitment to building and operating an environmentally responsible mining project at Kensington has the support of Sealaska Corporation and its shareholders. If I may provide further comment, please contact me at (907) 586-9274.

Sincerely yours,



Richard P. Harris
Executive Vice President

cc: Ronald R. Wolfe

Coeur Alaska, Inc.
3031 Clinton Drive, Suite 202
Juneau, AK 99801

Resource Development Council for Alaska, Inc.
121 West Fireweed, Suite 250
Anchorage, AK 99503

Southeast Conference
P.O.Box 21989
Juneau, Alaska 99802-1989

Mar. 5. 2004 1:29PM

NO. 4436 P. 4

Central Council
Tlingit and Haida



Indian Tribes of Alaska

CENTRAL COUNCIL
Tlingit and Haida Indian Tribes of Alaska
ANDREW P. HOPE BUILDING
320 West Willoughby Avenue - Suite 300
Juneau, Alaska 99801-9983

RECEIVED

February 26, 2004

MAR 05 2004

Juneau Manager
Alaska

Steve Hobbensen, SEIS Team Leader
USDA Forest Service
8465 Old Dairy road
Juneau, Alaska 99801

RE: Draft SEIS Kensington

Dear Mr. Hobbensen:

The Central Council Business and Economic Development Department has reviewed the various alternatives for the Kensington Mine DSEIS and our department supports the selection of Alternative B.

The Kensington Project and this type resource use has been a vital part of our Southeast Alaska economy for generations and this project will continue to provide employment to our community members of Southeast Alaska. The long term jobs and the economic effect of construction jobs will help to offset the loss of timber, fisheries and State government employment that Southeast Alaska has experienced over the last few years.

We ask that in your relationship with Coeur D'Alene Mines Corporation and before implementation of this opportunity the company implements Native hire and training with Central Council, and utilizes our VTRC facility. Mr. Archie Cavanaugh, Director of the Vocational Training and Resource Center, can be reached at 907-463-7375 to discuss training opportunities.

Thank you for the opportunity to support Alternative B, the Coeur preferred alternative. I can be reached at 463-7121 or e-mail: gjackson@ccthita.org for further discussion.

Sincerely,

Gordon Jackson, Manager
Business and Economic Development

Cc: Archie Cavanaugh, VTRC Director

GJ:dh

ALASKA
Juneau Ranger
District

Juneau & Vicinity Building and Construction Trades Council, Inc.

124 Front St.
Juneau, AK 99801
Phone (907) 586-3050
Fax (907) 586-9614

MEMBERS: BRICKLAYERS LOCAL 1, CARPENTERS LOCAL 2247, ELECTRICAL WORKERS (IBEW) LOCAL 1547,
HEAT/FROST INSULATORS & ASBESTOS WORKERS LOCAL 97, IRONWORKERS LOCAL 751,
LABORERS LOCAL 942, OPERATING ENGINEERS LOCAL 302, PAINTERS LOCAL 1140,
PLUMBERS & PIPEFITTERS LOCAL 262, SHEETMETAL WORKERS LOCAL 23, TEAMSTERS LOCAL 959

Mr. Steve Hobensee, SEIS Team Leader
Tongass Minerals Group
USDA Forest Service
8465 Old Dairy Road
Juneau, AK 99801

March 1, 2004

Dear Mr. Hobensee,

We here at the Juneau and Vicinity Building Trades Council would like to go on the record in support of the Kensington Gold Project and specifically the selection of Alternative B as the preferred alternative for the Draft Supplemental Environmental Impact Statement. We believe Alternative B is not only the most economical, but also the most environmentally safe for both the Project and the citizens of our area of Alaska.

As you may have gathered we are a Council made up of eleven construction labor unions representing near 1000 members throughout our region of northern Southeast Alaska, and are always striving to have employment opportunities created that pay a living wage and stimulate the economy here, which as you are probably aware is not in the best of health at the present time. If Alternative B is adopted Cocur will be able to create around 325 good paying jobs and utilizing local hire measures that money will re-circulate within our local economy, and that is only during the construction phase. Additionally the greater than 180 full-time mining related jobs during the life of the mine will also go a good distance toward the maintenance of a vibrant local economic picture for at least 10 years into the future.

From an environmental standpoint we also like that Alternative B reduces wetland disturbance, is not going to be visible from either Lynn Canal or Berners Bay except for the dock facility, and eliminates the need for cyclone processing which eliminates acid rock drainage on the footprint of the mine site. We believe that Cocur and the Kensington Gold Project have proven to be and will be environmentally responsible in their endeavor there, and that they have a full and committed understanding of the habitat where they will be operating.

For the above mentioned reasons we urge you to adopt Alternative B. Thank you for your consideration.

Sincerely,



Mike Nolan
President - Juneau Building Trades Council
Assistant Business Manager - International Brotherhood of Electrical Workers (IBEW) Local 1547

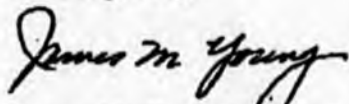
Letter to Steve Hohensee
March 3, 2004
Page 2 of 2

- Offer the best long-term reclamation proposal, involving creation of 56 acres of enhanced fisheries and wildlife habitat.
- Eliminate any long-term acid rock drainage (ARD) potential, and care and maintenance issues related to major surface water diversions.
- Improve transportation safety.
- Relocate the decking area from the important Lynn Canal commercial fishery.
- Lower operating costs than the previously permitted dry tailings facility (\$2.74/ton vs. \$0.10/ton).
- Create a significant tax base for the City & Borough of Juneau.

The commitment that Coeur d'Alene Mines Corporation has made to local hire in their job placement of approximately 325 positions during construction and 225 positions at full operation, their commitment to upholding high environmental protection standards as acknowledged by their receipt of 19 major national and international environmental awards since 1987, in addition to the above bulleted advantages of Alternative B, support our recommendation for this choice.

Please do not hesitate to call me with questions regarding this letter at (907) 586-8001 or Lance Miller at (907) 463-3662. I invite you to find out more about our organization by looking at our website at www.iedc.org.

Best regards,



James M. (Jamey) Young
Board Chair



Lance Miller
Executive Director

/jmy

Cc: File, Southeast Caucus, Senator Lisa Murkowski, Senator Ted Stevens,
Representative Don Young, Coeur Alaska

Mar. 11. 2004 8:04AM

NO. 4341 P. 1

RECEIVED

MAR 09 2004

3/7/04

James Branch
- Chairman

Steve Holmbeck
FIS Team Leader
Youngs Minerals Group
UMDA Forest Service
6485 Old Dairy Road
Sitka AK, 99801

The James Branch of the Alaska Miners Association would like to express their support for the selection of Alternative B in the Kensington Gold Project (KSGP). The AMA has always been a staunch supporter of responsible mineral resource development and Alternative B will best allow Coeur Alaska to develop the project in a safe, environmentally friendly, and economically sound manner.

Relative to the other alternatives, Alternative B provides the best plan for:

- Meeting all applicable water quality standards.
- Reducing overall wetlands disturbance and creating enhanced fisheries and wildlife habitat at the end of mine life.
- Reducing energy requirements and minimizing air emissions.
- Minimizing potential conflicts with other users of Barrow Bay through non-impact of the viewshed in Lynn Canal and Barrow Bay and creation of a separate dock area at Cascade Point.

Alternative B also provides the best plan for Coeur Alaska to contribute to a healthy, well-rounded economy in Southeast Alaska. This alternative is much more economically sound than the other alternatives, and, when approved, will allow Coeur to develop and construct the project in a timely fashion. This will result in:

- Creation of 325 high-paying construction jobs.
- Creation of over 180 additional indirect jobs, and result in \$7.5 million in direct local purchases during construction.
- An estimated payroll of \$16 million and 225 full-time jobs through the producing mine life.

The James Branch of the Alaska Miners Association has supported the Kensington Gold Project from its inception and throughout in various permitting hurdles. We strongly urge the Forest Service to select Alternative B and allow Coeur to become an integral part of our local economy.

Michael Gato

James Branch Chairman
Alaska Miners Association
1032 6th Ave
Sitka, AK 99801
(907) 789-5761

**Juneau Resource Alliance; Juneau Chamber of Commerce
Resource Alliance 7 am Breakfast meetings, Wednesdays at the Prospector
John Sandor, Chair; PO Box 21135, Juneau, AK 99801; 586-2497; jsander@ptialaska.net**

February 13, 2004

**Mr. Steve Hohensee, SEIS Team Leader
Tongass Minerals Group - USDA Forest Service
8465 Old Dairy Road
Juneau, AK 99801 Fax: (907) 790-7464**

Dear Mr. Hohensee:

During the Juneau Resource Alliance's fifteen years of existence, we have closely followed various resource development projects in Southeast Alaska and other parts of Alaska. I want to particularly commend the Forest Service's SEIS Team and cooperating agencies in the preparation and issuance of the Draft Supplemental Environmental Impact Statement (DSEIS) for the Kensington Gold Project. This Draft SEIS is very well prepared.

The description and evaluation of the various Alternatives in this DSEIS are well defined. We would like to comment on the Corporation leading this venture; the location of the Kensington Gold Project and the Alternative which appears most favorable from both an economic and environmental protection standpoint.

Coeur Alaska, Inc. is a strong, well-established Corporation which can be expected to fully meet its commitments as this property is developed and managed throughout the life of the project. The Kensington and Jualia properties date back to the late 1800's and early 1900's and are described in substantial detail in David and Brenda Stone's book "*Hard Rock Gold - The Story of the Great Mines that were the Heartbeat of Juneau, Alaska*". Thus both the mining properties and Coeur Alaska, Inc. are proven entities that give confidence to the future success of the Kensington Gold Project.

Finally, we support Coeur Alaska's assessment that Alternative B would be the most economical and environmentally acceptable alternative in the development of the Final Supplemental Environmental Impact Statement and Record of Decision. Alternative B meets water quality standards during the construction, operation and reclamation phases of the project and disturbs less land and wetlands. The use of a dock at Cascade Point would also reduce potential impacts with recreation users. Additionally, Alternative B is most favorable from an economic standpoint.

Thank you for the opportunity to comment.


**John A. Sandor, Chair
Juneau Resource Alliance**

Southeast Conference

P.O. Box 21967 Juneau Alaska 99802-1967 Tel. (907) 463-3445 Fax (907) 463-5678 www.seconf.org

February 27, 2004

Steve Hohensee
SEIS Team Leader
Tongass Minerals Group
USDA Forest Service
8465 Old Dairy Road
Juneau, AK 99801

RE: Support of the Kensington Mine Project and DEIS Alternative B

Dear Mr. Hohensee,

The Southeast Conference Board of Directors supports selection of Alternative B of the Kensington DEIS by the U.S. Forest Service and Cooperating Agencies as the environmentally preferred and most practical alternative.

Southeast Conference is a regional membership organization focused on building a strong economy, healthy communities, and a quality environment in Southeast Alaska. Our more than 130 members consist of 30 communities (including every Southeast Alaska community with a population over 100); 10 Southeast Alaska chambers of commerce; 12 Alaska Native organizations; many businesses; non-profits; visitor's bureaus; and individuals interested in the economic and social well being of the residents of the region. Southeast Conference began 46 years ago as a regional citizens group that wished to unite in order to achieve goals shared by all Southeast Alaska communities. Southeast Conference is now the State designated Alaska Regional Development Organization (ARDOR), the Federally designated Economic Development District (EDD), and the Federally designated Resource Conservation and Development Council (RC&D) for Southeast Alaska.

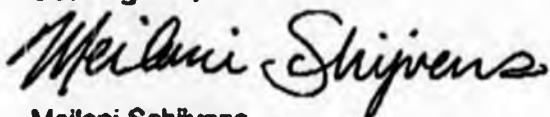
As compared to the already permitted dry tailings facility (Alternative A), Alternative B would:

- Meet applicable water quality standards.
- Result in the smallest amount of land disturbances, including delineated wetlands.
- Provide a geotechnically sound dam design that does not require construction of a major structural berm around the facility due to long-term stability concerns.
- Offer the best long-term reclamation proposal, involving creation of 56 acres of enhanced fisheries and wildlife habitat.
- Eliminate any long-term acid rock drainage (ARD) potential, and care and maintenance issues related to major surface water diversions.
- Improve transportation safety.
- Relocate the docking area from the important Lynn Canal commercial fishery.
- Lower operating costs than the previously permitted dry tailings facility (\$2.74/ton vs. \$0.10/ton).

The Kensington gold mine would likely employ 325 people, predominantly Alaskans, during construction, and 225 during operation. Over 180 indirect job opportunities would also result. These are high paying, year-round jobs. The annual estimated operating payroll is \$16 million, and the project would generate over \$1 million annually in taxes. Coeur has made it clear that the mine development and operations will continue to remain subject to stringent federal and state environmental protection requirements. Coeur d'Alene Mines Corporation is an environmentally responsible operator, having been acknowledged by 19 major national and international environmental awards since 1987.

Simply put, this is a very good opportunity for Southeast Alaska. The economy of Southeast Alaska has been in decline for the past decade. Real per capita income fell 4% overall in Southeast and 8% outside of Juneau in the last 10 years. With our timber and fishing industries in decline, Southeast Alaska needs healthy industries such as mining to help support our economy. Although tourism jobs are on the rise, one mining job earns the same in wages and benefits as seven tourism jobs. Coeur has proven itself to be an excellent organization that accounts for the needs of the communities in its management decisions. Southeast Alaska needs family wage jobs and Southeast Conference fully supports Coeur in its Kensington project. Please do not hesitate to call me with questions regarding this letter at (907) 463-3445 and I invite you to find out more about our organization by looking at our website at www.seconference.org.

Best regards,



Melani Schijvens
Administrative Director

Cc: Southeast Caucus, Coeur Alaska ✓



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- UAS
- Wells Fargo Bank of Alaska

February 12, 2004

Steve Hohensee
SEIS Team Leader
Tongass Minerals Group
USDA Forest Service
8465 Old Dairy Road
Juneau, AK 99801

Dear Mr. Hohensee:

Subject: Support of Kensington Gold Project Alternative B, Lower Slatk Lake Tailings Management and Cascade Point Proposal

The Juneau Chamber of Commerce Board of Directors, representing over 300 businesses, is submitting this letter strongly supporting the selection of Alternative B, as the best environmental alternative for construction of the Kensington Gold Project (KGP).

After an oral consideration and deliberation, we believe the alternative should be identified as the "selected alternative" by the Forest Service in the Final Supplemental Environmental Impact Statement (FSEIS). This selection should also ultimately be reflected in the Record of Decision.

Our recommendation is based on the following rationale:

- Alternative B disturbs significantly less land area and wetlands; it also actually increases the size and improves the productivity of Lower Slatk Lake's resident fishery, and associated wildlife habitat at final closure.
- Alternative B meets water quality standards during the construction, operational and reclamation phases; during closure, the alternative does not require significant long-term care and maintenance needs related to extensive stream diversions and tailings stack capping (the DTF also requires construction of three large surface quarries).
- The alternative would create 325 high-paying construction jobs, and a permanent operational work force of 130 ramping up to 225 at peak operation - Juneau desperately needs these jobs and the \$16 million annual payroll.
- Alternative B would utilize a dock at Cascade Point; this is the best location and would not create new conflicts and major dredging requirements inside the heavy recreational use area at Echo Cove.

Finally, and of major importance, Coast Alaska officials have shown a commitment to Juneau, and have assured us that Alternative B is the most "practicable" alternative, from an economic standpoint. It has the lowest capital and operating costs, and is not subject to frustrating gold prices. It represents at least a 10-year mine life, with a high potential to find more ore and extend the project well beyond year 2015.

We urge you to select Alternative B. The Chamber also appreciates the level of evaluation and work effort demonstrated by the Forest Service and their consultant in the DSIS.

Very truly yours,

Mike Story
President, Juneau Chamber of Commerce

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August 4, 2004

ATTN: John C. Leeds
Department of the Army
U.S. Army Corps of Engineers
Juneau Field Office, Suite 106
8800 Glacier Highway
Juneau, Alaska 99801-8079

Re: POA-1990-592-M, Lynn Canal 31

Sealaska Corporation is the Native region corporation for Southeast Alaska and has over 17,000 shareholders. Many of our shareholders reside in Juneau and depend on the project area for recreation and subsistence use. Our shareholders are also potential employees who will benefit from the development of the proposed project. Our support of the project is contingent upon strong environmental protection and economic opportunities for our community and shareholders. We have reviewed the proposed project and associated mitigation measures and believe the best possible balance has been achieved.

Sealaska supports having the above referenced project proceed to mine development in a manner that will protect the environment for the life of the project while benefiting the economy of the greater Juneau area. This mine project has received substantial permit scrutiny from State and Federal agencies regarding environmental permits and authorizations related to air quality, and consistency of federal water quality requirements with state regulations. The process has carefully evaluated Coeur's proposal. Permits with appropriate conditions should now be issued based on data and information included in the application and public notice.

The Corps 404 permit, which is required for mining activities at Kensington involving the dredging or placement of fill in waters of the U.S., including wetlands, should be issued for the following reasons:

- The Lower Slate Lake TSF is environmentally sound and the only economically feasible alternative. The fact that it incorporates a lake restoration and habitat enhancement proposal which would create 36 new acres of improved fisheries and wildlife habitat is a distinct benefit to the environment when the mine is closed.
- The Lower Slate Lake alternative minimizes long-term care and maintenance needs. After closure the reclaimed lake will provide a bio-diverse habitat that is shallow enough to support aquatic plants. This plant community will provide habitat and food for invertebrates, fish, and wildlife.

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- Under this plan, cultural resources are protected.
- Coeur's tailings management proposal provides a net benefit for fish and wildlife values. In addition it has been designed to meet all tailings management needs for the reasonably foreseeable future.
- The proposed tailings area is not visible from Berners Bay or Lynn Canal. In addition, the plan carefully minimizes effects on the view shed, especially as seen from the mouth of Echo Cove and much of Berners Bay.
- The TSF has significantly less energy needs, as compared to the dry tailings stack.
- Planned buffer zones will be around all active streams and rivers to limit erosion, siltation, and will maintain natural streambank cover.
- The Slate Creek Cove dock facility should limit quantities of fill, armour rock and riprap, and reduce the size of the disturbance footprint.
- There will be a spill contingency and emergency response plan for the dock facilities. In addition, the construction schedule, response equipment and best management practices (BMP's) program will limit siltation and other water quality impacts.

Considering that the exhaustive studies show that adverse impacts on the environment will be minimized, Sealaska urges the Corps to issue the 404 permit for the Lower Slate Lake TSF and Slate Creek dock, and make the finding that Coeur's proposal is the least environmentally damaging practicable alternative.

Sincerely,

SEALASKA CORPORATION



Richard P. Harris
Executive Vice President



8007 Glacier Hwy, Suite 262, Juneau, Alaska 99801 (907) 790-4900 Fax (907) 790-4999

August 3, 2004

John C. Leeds, Manager
Department of the Army
U.S. Army Corps of Engineers
Juneau Field Office, Suite 106
8800 Glacier Highway
Juneau, Alaska 99801-8079

Re: Kensington Gold Project
Slate Creek Cove Dock Facility

Dear Mr. Leeds,

Introduction

My name is David Goade, Executive Vice President for Goldbelt, Incorporated. I am writing to convey my strong support for the Kensington Gold Project and to urge the Army Corps to find that the current Slate Creek Cove dock facility proposal:

- Is an environmentally responsible design.
- Is the least environmentally damaging practicable alternative.

The Kensington Mine Project is vitally important to Juneau and to Southeast Alaska. That is, 325 high-paying construction jobs, 225 high-paying mining jobs, and an additional several hundred indirect jobs. In concert with the mine developer's commitment to local hire, this adds up to a major boost to our economy. Not only will the mine broaden Juneau's economic diversification, it will provide meaningful, long-term employment opportunities for many families living in the Southeast Alaska region.

Background

Before discussing the Slate Creek Cove dock facility proposal, I will provide a brief historical perspective on Goldbelt's long-standing, deep-seated interest in the Berners Bay area and in the long-term success of the Kensington Gold Project.

- Goldbelt is an Urban corporation formed pursuant to the Alaska Native Claims Settlement Act of 1971. Its primary areas of business operations include tourism, land development, and real estate investment. It is headquartered in Juneau and has approximately 3,400 Alaska Native shareholders.
- Goldbelt owns 1,382 acres of land located at Echo Cove, which is at the northern terminus of Glacier Highway and approximately 10 miles from the Kensington Mine

John Leeds
Slate Creek Cove Dock
404 Comments
Page 2

area. We received ownership of this land in 1981 from the Bureau of Land Management. Echo Cove is the gateway to Berners Bay and northern Lynn Canal.

- Goldbelt completed the Echo Cove Master Plan in 1996. Among its many features the plan identified a site (Cascade Point) just outside Echo Cove, but within Berners Bay, as a place of significant economic opportunities. They are, commercial fisheries support, tourism, marine transportation (ferry terminal), and mining support services.
- On December 22, 1998, Goldbelt received a Record of Decision from the U.S. Forest Service authorizing the construction of a 2.5-mile extension of the Glacier Highway to Cascade Point. This action marked the successful conclusion of an Environmental Impact Statement process that spanned a period of two years.
- On March 9, 2000, Goldbelt received a U.S. Army Corps permit authorizing the construction of a 2.5-mile extension of the Glacier Highway to Cascade Point. This action marked the successful conclusion of a one-year long permit review process.

Discussion

Slate Creek Cove Dock Facility. The dock facility represents an evolutionary improvement above and beyond the previously approved mine employee transportation and housing plan. That is, transporting employees to the mine site via helicopter and housing them in on-site camp facilities. The construction and operation of the proposed marine dock paired with a similar facility at Cascade Point eliminates the need for daily helicopter transportation and housing workers in on-site camp facilities. A daily ferryboat operation would operate from Cascade Point to Slate Creek Cove, a one-way distance of approximately five miles. The dock operations not only reduce environmental and other noise and land use impacts, they also improve mine economics by eliminating relatively expensive helicopter use and on site housing.

The currently proposed design has reduced the size of the disturbance footprint by limiting quantities of fill, scrap and armor rock. This serves to minimize to the fullest extent practicable the dock's physical and operational environmental impacts. The adherence to a best management practices program for all dock operations, including fuel handling, will further minimize the potential for adverse environmental impacts.

Summary

Coeur has proposed an environmentally responsible design and operating plan for the Slate Creek Cove dock facility. This dock and the similarly proposed facility at Cascade Point will work together to safely and efficiently transport workers to and from the Kensington Mine Project. The docks eliminate the on-going need for the more expensive and higher impact daily helicopter flights and on-site housing facilities.

John Leeds
Slate Creek Cove Dock
404 Comments
Page 3

For the above reasons I urge the U.S. Army Corps to find that the proposed Slate Creek Cove dock facility is an environmentally responsible design and is the least environmentally damaging practicable alternative. Therefore, the 404 permit should be issued.

Thank you for the opportunity to comment on this matter and to give my whole hearted support to the vitally important Kensington Mine Project.

Sincerely,
GOLDBELT, INC.



David D. Goade
Executive Vice President
(907) 790-1430
dave.goade@goldbelt.com



University of Alaska Southeast
Juneau • Ketchikan • Sitka

Office of the Chancellor
Juneau Campus

02 August 2004

Department of the Army
U.S. Army Corps of Engineers
ATTN: John C. Leeds
Juneau Field Office, Suite 106
8800 Glacier Highway
Juneau, Alaska 99801-8079
Fax: (907) 790-4499

Dear Mr. Leeds:

On behalf of the University of Alaska Southeast, I am writing in support of Coeur Alaska.

Over the years Coeur has been one of the most environmentally responsible mining companies currently operating in the United States. UAS and Coeur Alaska have worked together in the past on research-based solutions to mine tailings disposal. We look forward to continuing to work together to develop ecologically sound mining practices that will protect the environment while allowing for the reasonable development of Alaska's natural mineral resources.

Coeur further demonstrated it's corporate commitment to ecologically sound mining practices by not only supporting the establishment of an Environmental Science degree program at UAS, but by establishing the *Coeur Environmental Leadership Scholarship* program. This \$22,000 endowed scholarship fund provides annual scholarship support to full-time UAS students majoring in the areas of Environmental Science or Marine Biology.

Based on UAS' positive interaction with Coeur Alaska over the years, I have every reason to believe that, if opened, they would be committed to using environmentally sound mining practices at the Kensington Mine. Furthermore, I believe they would be good corporate citizens and an asset to the Juneau community.

Thank you for providing the opportunity for public comment on the proposed Kensington Gold Project.

Sincerely,

Karen Schmitt
Dean School of Business & Career Education

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Alaska District Corps of Engineers

KAKE TRIBAL CORPORATION

P.O. Box 263 Kake, AK 99830 (907) 785-3221 FAX (907) 785-6407

July 30, 2004

John C. Leeds
Department of the Army
U.S. Army Corps of Engineers
Juneau Field Office, Suite 106
8800 Glacier Hwy
Juneau, AK 99801

RE: Support for Coeur Alaska's Alternative B mine proposal Corps' 404 dredge and fill permit

Dear Mr. Leeds,

I would like to take the time to inform you that Kake Tribal Corporation fully supports the development and operation of the Coeur Alaska's Alternative B proposal for the design, construction, and operation of their Kensington mine. We specifically ask you to quickly approve the 404 permit for the Cascade Point dock, Slate Creek Cove dock and the Lower slate lake tailings storage facility.

Our company is deeply concerned with any development in Southeast Alaska that could alter or negatively affect the environment we exist and live in. Therefore, we have reviewed the Coeur Alternative B proposal with a critical eye. As a result we find Alternative B unquestionably congruent with our premise that "any" development in "our" rainforest be environmentally sound and promote positive environmental stewardship. The public and the Environmental Protection Agency should congratulate the management at Coeur Alaska for accomplishing such a daunting task of extracting minerals in such an environmentally friendly manner. The lower slate lake mine tailings proposal is the least environmentally damaging practicable alternative.

Our company represents over 700 Native American shareholders who understand the environment. After all, it is "our" Native American environmental principles that environmental organizations attempt to emulate. Our shareholders represent a people who have inhabited Southeast Alaska for over 10,000 years. We do not lightly recommend or support any development without thoroughly investigating the environmental impact that the development will create. As a people who have been environmental stewards as our first calling to our subsistence and existence, we recommend the Kensington Alternative B as the economically and environmentally sound proposal.

The Kensington Alternative B proposal dramatically reduces the tailings of the Kensington mine over Alternative A. The mine tailing are natural and inert containing no chemicals or additives that will affect the water quality. Coeur's proposal to use the 20 acre non-productive, non fish bearing Slate lake and at its closure will create a 56 Acre highly productive fisheries and wildlife habitat is a welcome and substantial benefit to

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the Lynn Canal region. As Juneau expands, more and more wetlands are decreased. This new 56 acre lake is on a major flyway and will be heavily used by migratory waterfowl.

The Goldbelt design for the Cascade point dock utilizes special provisions for fish passage through the breakwater, and enhancement of current and tidal flushing in the intertidal zone.

The Slate Creek Cove dock is in rocky area and will not disturb the Dungeness or the seasonal herring and hooligan habitat since these species are not prolific in the specific dock area.

Coeur has also created buffer zones in an around all active streams and rivers to limit erosion and siltation to maintain natural stream bank cover.

Compared to the other alternative, this proposal is simple, innovative and clean on the environment and water quality.

This alternative has less energy needs and there will be less fuel stored on the property.

The Slate Lake tailings storage facility diverts water from the upper slate lake around lower slate creek to minimize operational impacts to the downstream aquatic environment. Coeur's plans also includes a contingency plan which provides additional safeguards as a back up plan, in the event of a dam overflow, a massive water runoff due to rain storms and any other unforeseen event. We feel Coeur has intelligently dealt with this critical environmental quality issues with insight and dedication to mitigating any known and unknown hazard.

Our corporation is depending on the jobs this mine will create. However, that does not mean we will ignore environmental concerns. We have analyzed the mine tailings issue in detail and feel that Coeur Alaska has presented the best tailings alternative by depositing inert tailings into lower Slate Lake.

We look forward to working with Coeur Alaska in the future where we will work with Coeur to ensure that they meet and exceed environmental concerns. The increase in wetlands, and the gradually sloping bottom of the tailings storage facility after closure will provide productive fish and wildlife habitat after closure.

We urge you to issue the Army Corp 404 permit for the authorization to construct the Lower State tailings facility, the dock at Slate Creek Cove and Cascade point dock in a quick and timely manner.

Sincerely,



Duff W. Mitchell
Chief Operating Officer



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Ex-Officio Members
 Senator Ted Stevens
 Senator Lisa Murkowski
 Congressman Don Young
 Governor Frank Miller

August 4, 2004

ATTN: John C. Leeds
 Department of the Army
 U.S. Army Corps of Engineers
 Juneau Field Office, Suite 106
 8800 Glacier Highway
 Juneau, Alaska 99801-8079

Dear Mr. Leeds:

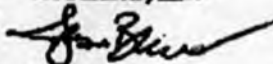
On behalf of the Resource Development Council for Alaska, Inc. (RDC), I am submitting comments in support of the issuance of the 404 permit for the Lower Slate Lake TSE and Slate Creek dock. Coeur's proposal is the least environmentally damaging practicable alternative. RDC also urges the Corps to approve Goldbelt's proposed dock at Cascade Point, in order to provide the best environmental option for transportation service to the mine.

RDC is a private, non-profit, business association representing individuals and companies from Alaska's oil and gas, mining, timber, fisheries, and tourism industries. RDC's membership also includes sectors that support Alaskan industry, such as construction, labor and other technical service providers, Native corporations and local communities. Through RDC, these interests work together to promote and support responsible development of Alaska's natural resources.

The Lower Slate Lake TSE, as proposed by Coeur, is the only economically feasible alternative. In addition, the reclamation proposal is environmentally sound. It incorporates a lake restoration and habitat enhancement proposal which would create 36 new acres of improved fisheries and wildlife habitat. As compared to the previously permitted dry tailings stack, the Lower Slate Lake alternative involves a simple, innovative reclamation proposal which minimizes long-term care and maintenance needs.

RDC urges the Corps to issue the permits immediately. Thank you for the opportunity to comment.

RESOURCE DEVELOPMENT COUNCIL
 for Alaska, Inc.


 Jason Brune
 Projects Coordinator



July 26, 2004

ATTN: John C. Leeds
 Department of the Army
 U.S. Army Corps of Engineers
 Juneau Field Office, Suite 105
 8800 Glacier Highway
 Juneau, Alaska 99801-8079

Fax: 907-760-4499

E-Mail: john.c.leeds@posd2.usace.army.mil

Subject: Corps 404 Permit for Lower Slate Lake Tailings Storage Facility and Slate
 Creek Cove Dock - Kensington Mine Project

Dear Mr. Leeds:

My name is Thomas L. Crowder and I am the President of Klukwan, Inc. I moved to
 Alaska in 1969 and accept for school and a three year job assignment; I have lived in the
 state since then. I have no plans to leave Alaska.

Please issue the Kensington permits for the following reasons:

1. The tailings storage facility (TSF) is a temporary use situation, i.e., for the
 operating life of mine. At closure, the lake will be restored. It will be more
 productive, have improved access and use, and provide enhanced fisheries and
 wildlife habitat. It will meet all water quality standards. It will also be rigorously
 monitored and reported on a daily, weekly and monthly basis. Temporarily
 "borrowing" the 20-acre lake is the best environmental alternative.
2. Coeur's proposal for Lower Slate Lake is very site-specific. The environmental
 design is tailored to local natural conditions. In order to use the lake, Coeur must
 meet very stringent environmental criteria. These are described in detail in the
 EPA Water Discharge (NPDES), Corps Dredge and Fill, and all the various state

Klukwan, Inc.

425 Sawmill Road / PO Box 209 • Haines, AK 99827
 907-766-2211 Phone • 907-766-2070 Fax

- permits. Coeur has demonstrated themselves as a responsible operator; they can and will meet all related permit conditions.
3. The increased use of Berners Bay for worker transport will be on a regularly scheduled basis, using an agreed upon routing. There will be 3-5 round trips by passenger boat daily across the bay, Monday through Friday, which would involve a total of about two hours on the water. Saturday and Sunday trips will be reduced to 2-3 in number. Docks will use low level lighting controlled by time clocks and photo cells. There will be no lighting of the main access road. Boats will avoid encounters where they are unavoidable. Coeur has worked with National marine Fisheries Service, U.S. Fish & Wildlife Service and Alaska Department of fish & Game to design a comprehensive monitoring plan for determining baseline environmental conditions in Berners Bay in terms of water quality, fisheries, marine mammals, background hydrocarbon levels as a yardstick for measuring environmental compliance by the operation. This clearly demonstrates their responsibility to protecting Berners Bay.
 4. This limited boat use provides new jobs (about 200 during operation) and economic benefits (related to the \$16 million annual payroll) and at the same time essentially maintains Berners Bay as a roadless area.
 5. Coeur does not intend to "industrialize" Berners Bay; sharing the Bay in a responsible manner for the ~~benefit~~ of all the community is acceptable.

Please issue all the permits as soon as possible.

Thank you,



Thomas L. Crandall
President

Klukwan, Inc.

425 Sawmill Road / PO Box 209 • Haines, AK 99827
907-766-2211 Phone • 907-766-2973 Fax

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