

**03/06/14  
PRESENTATION:  
AMBLER MINING  
DISTRICT  
INDUSTRIAL  
ACCESS ROAD**

<TARGET><BILL></BILL><SUBJECT>03-06-14 PRESENTATION  
AMBLER MINING DISTRICT INDUSTRIAL ACCESS  
ROAD</SUBJECT><COMM>HTRA28</COMM></TARGET>



**AMBLER MINING DISTRICT**  
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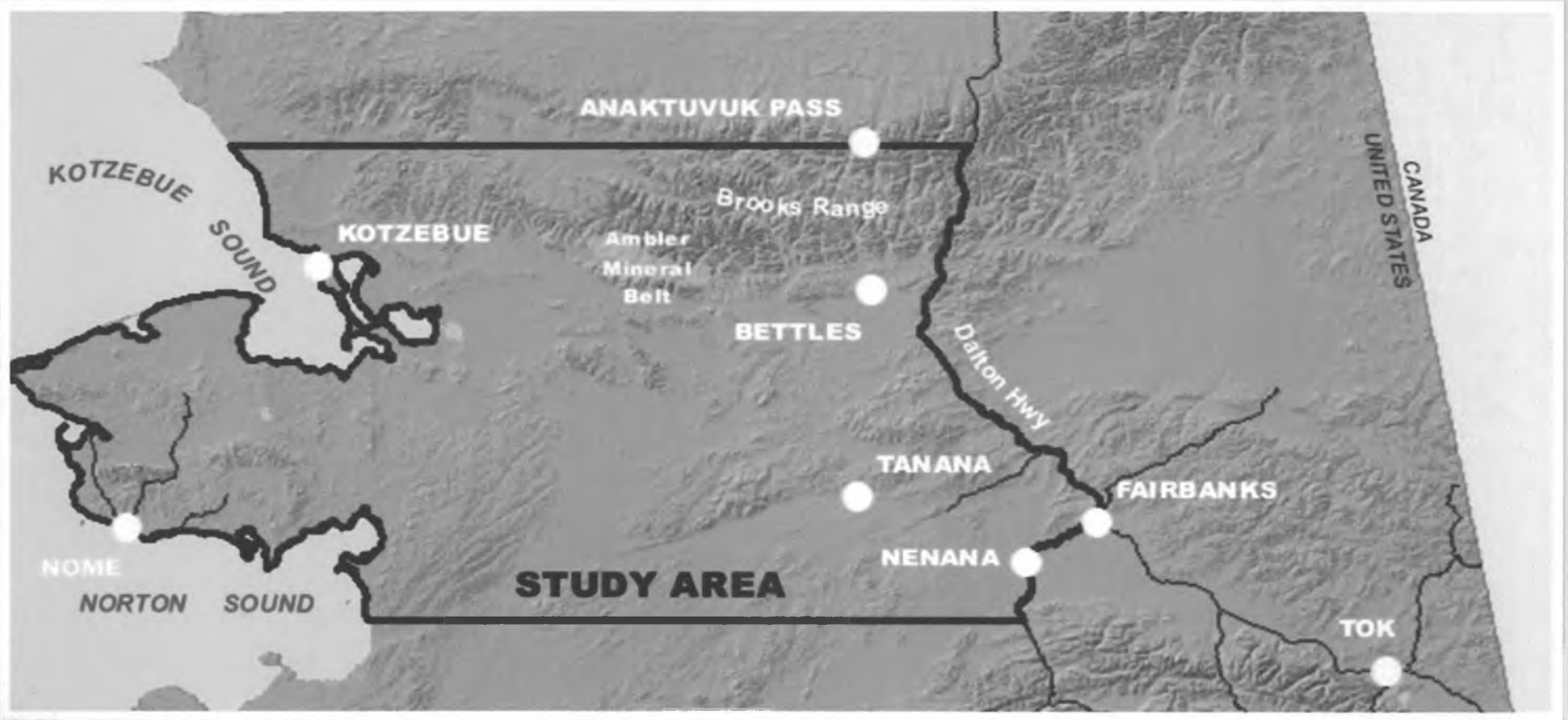
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# Purpose of the Project

- Construct surface access (industrial) to the Ambler Mining District
- Support exploration and development of mineral resources in the Ambler Mining District

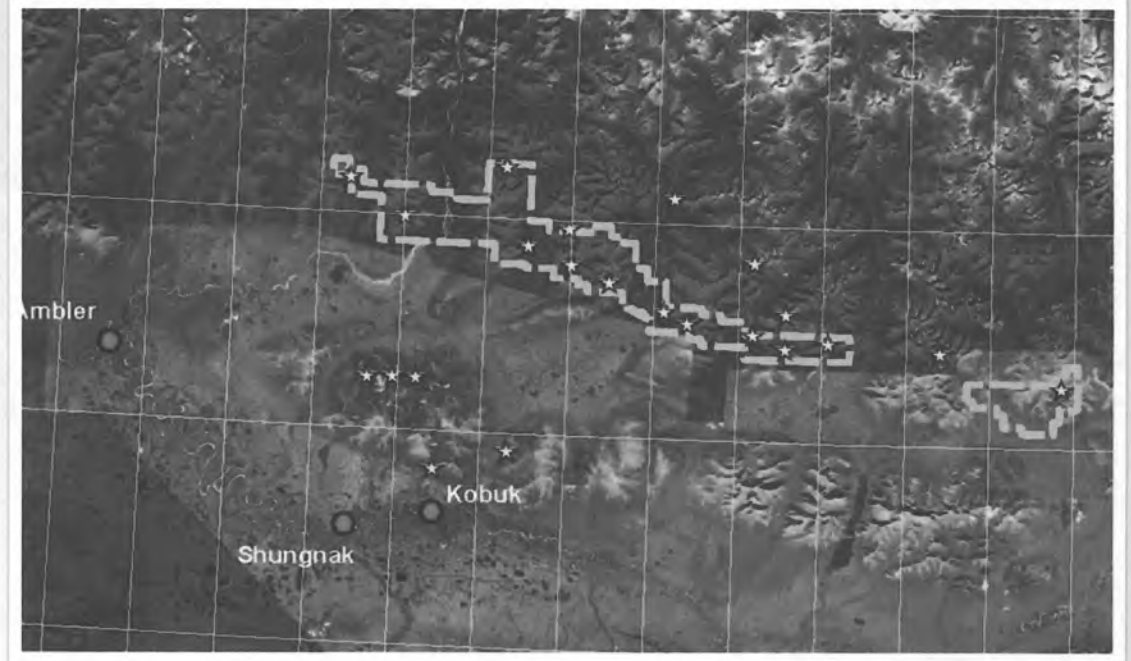


# Where is the Ambler Mining District?



# Resource Rich Region

- 75 mile long State-owned mineralized area,
- Copper, zinc, lead, silver and gold
- Key deposits:
  - Arctic (Nova Copper)
  - Sun (Andover Ventures)
  - Bornite (NANA)
  - Smucker (Teck Cominco)



**Mine feasibility studies show overland transportation is required for mining to be economically feasible**



# Project Development To Date

- **DOT&PF initiated transportation reconnaissance efforts in 2010**
  - Community outreach/consultation
  - Project website, 20+ public meetings, newsletters/emails
- **Preliminary engineering**
  - Design criteria, corridor identification/analysis, cost estimating
- **Preliminary baseline environmental research**
  - Preliminary wetland/vegetation mapping, baseline biological studies
  - Socioeconomic analysis, subsistence study data gap analysis
- **Other work completed**
  - Aerial and contour mapping, geotechnical investigations
- **Identified feasible routes**



# Analysis of Preliminary Corridors

- Preliminary corridors were evaluated on:
  - Corridor length
  - Federal Conservation System units (e.g. wildlife refuges)
  - Wild and Scenic Rivers
  - Salmon/sheefish habitats
  - Caribou habitats
  - Threatened/endangered species and critical habitats
  - Wetland habitats
  - Availability of material sites
  - Construction/maintenance cost

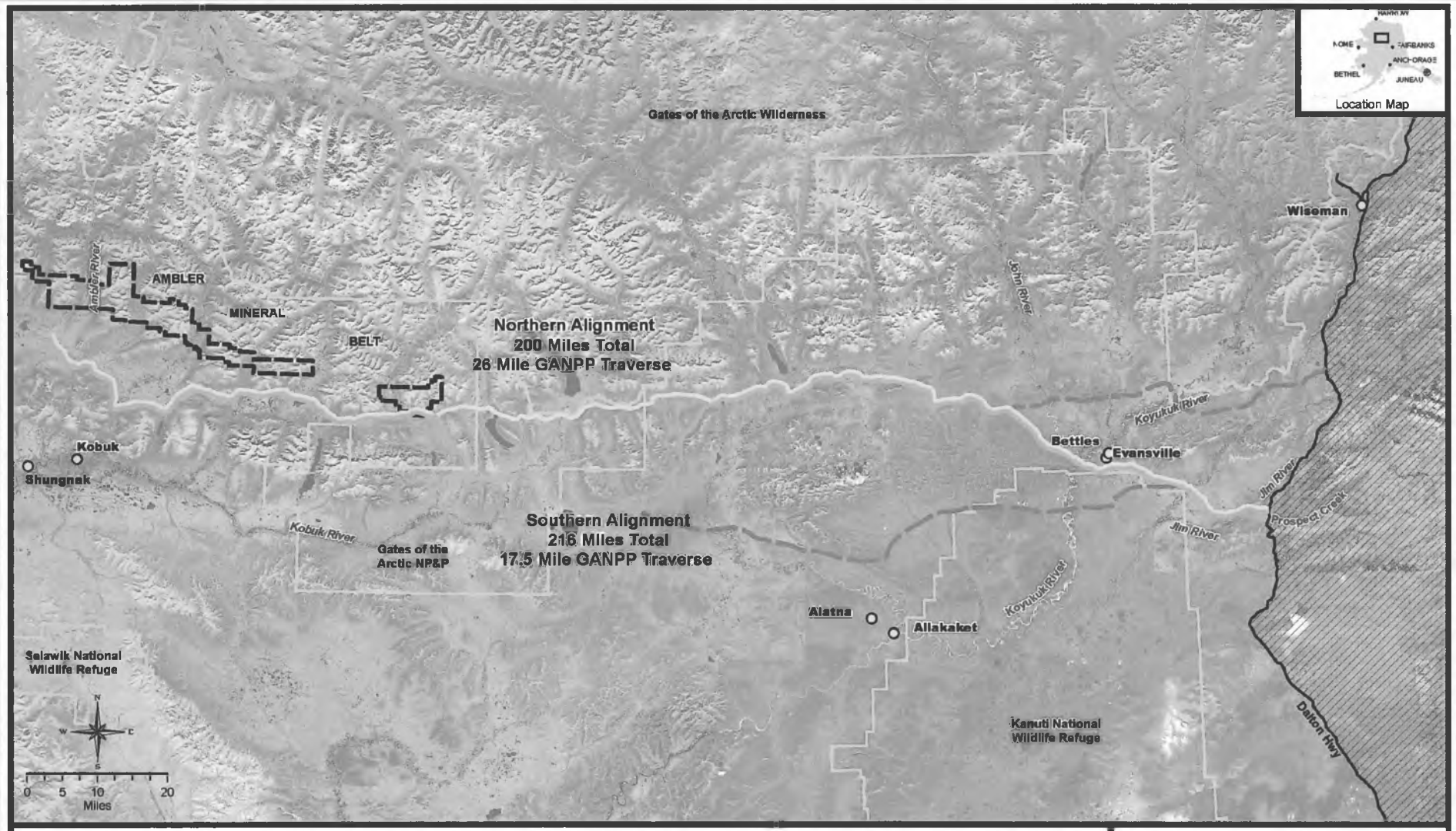


# Brooks East Corridor

- 200+/- miles long
- Four maintenance stations
- 15 large bridges (>150 feet)
- Least caribou impacts, no endangered species impacts
- Least impact on salmon/sheefish habitats
- Corridor through Gates of the Arctic National Park & Preserve was reserved in ANILCA
- Generalized Land Status
  - 120+/- miles on State land
  - 20-30 miles on federal (NPS/BLM) land
  - 40+/- miles on ANCSA Corporation lands



# Proposed Corridor and Alternatives



# Community Input on Proposed Access

- High level of interest in communities throughout the region
- Many of the comments have centered on:
  - Subsistence impacts
  - Economic issues (employment, cost of living, etc.)
  - Access (restricted vs. public) and number of vehicles
  - Environmental issues (wilderness, asbestos, acid rock drainage)



# Different than Dalton Highway

- Was constructed using a public ROW from BLM and closed by Commissioner of Transportation
- Dalton Highway ROW was owned by State and road was managed by DOT&PF – Commissioner had authority to open or close road
- Dalton Highway was placed on the Federal Aid Highway System – allowed federal funds to be used for maintenance



# Similar to Red Dog Mine Road

- Controlled access – for industrial use only
- Road is narrower and lower than public highway
- User tolls used to fund/repay construction and maintenance
- Lessons learned on Red Dog Mine Road:
  - How to deal with caribou crossing road
  - Working with local community to identify needed road crossings
  - Covered/closed containers to limit potential for dust
  - Commercial driver training/enforcement



# Red Dog Mine Road



# Proposed Project Schedule

- Community Outreach/Consultation
  - Routing/Reconnaissance Studies
  - Baseline Environmental
  - Preliminary Engineering
  - Submit permit app. to initiate EIS
  - Public Private Partnership Development
  - Permitting/Final Design
  - Construction Start
- 2011-2018
  - 2010-2013
  - 2012-2015
  - 2013-2015
  - 2014
  - 2016
  - 2016-2018
  - 2019



# Proposed Tasks FY2015

- **Environmental documentation/permitting**
  - EIS coordination
  - Continued Agency consultations
- **Community outreach/meetings**
- **Additional baseline studies**
  - Additional hydrology studies (UAF, contractor)
  - Additional biological studies (ADF&G, contractors)
  - Cultural resources and subsistence studies (ADF&G, contractors)
  - Additional geotechnical studies (DOT&PF, contractor)
  - Additional economic/financial studies
- **Preliminary engineering**
  - Support for NEPA review (alignment refinement, alternative alignments)



# FY15 Activities Funding

AGENCY	FY15	SCOPE OF WORK
Project Mgmt/Legal	\$1,250,000	AIDEA personnel charges, outside legal counsel for NEPA process.
Public Outreach	\$700,000	PI services including local community liaison services.
Third-Party EIS	\$1,000,000	Third-party contractor to work on EIS under lead federal agency direction.
Hydrology Studies	\$600,000	Meteorological data collection, stream gauging on the 4-5 major rivers, snow surveys (snow depth and snow water equivalent), suspended/bedload sediment studies.
Fisheries Studies	\$1,200,000	Fisheries and habitat studies by ADF&G over 2-3 years.
Geotechnical Studies	\$1,000,000	DOT&PF geotechnical drilling and studies to identify material site, quantify material site quantities, and provide geotechnical recommendations.
Health Impact Assessment	\$500,000	DNR OPMP project coordination manager and HIA development. HIA funding assumed to be split btw FY15 and FY16.
Other Enviro/Engineering	\$1,250,000	Cultural resources, other environmental, engineering support for EIS and permitting.
Federal Cost Reimbursement	\$1,000,000	NPS/FHWA cost recovery as allowed under federal law for processing ROW permit application on federal lands.
<b>TOTAL</b>	<b>\$8,500,000</b>	

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# Project Cost to Completion Estimates

Phase	FY15	FY16	FY17	FY18	FY19	Total
Pre-Design/Enviro	\$8.5	\$8.5	\$7.0	\$6.5		\$30.5
35% Design/Permitting				\$5	\$5	\$10
Right-of-Way					\$3.5	\$3.5
Design/Construction (Design/Build)					\$290-400	\$290-400
<b>Total</b>	<b>\$8.5</b>	<b>\$8.5</b>	<b>\$7.0</b>	<b>\$11.5</b>	<b>\$298.5-408.5</b>	<b>\$334-444</b>



# Introduction to Public Private Partnerships (P3)

- P3 is a project delivery method
- Combines design, build, finance, operate & maintain functions
- Allocates different risks to the public & private sectors
- US leads the world in power P3 but lags in other sectors
- Transportation P3 now gaining momentum in US



# Rationale for P3

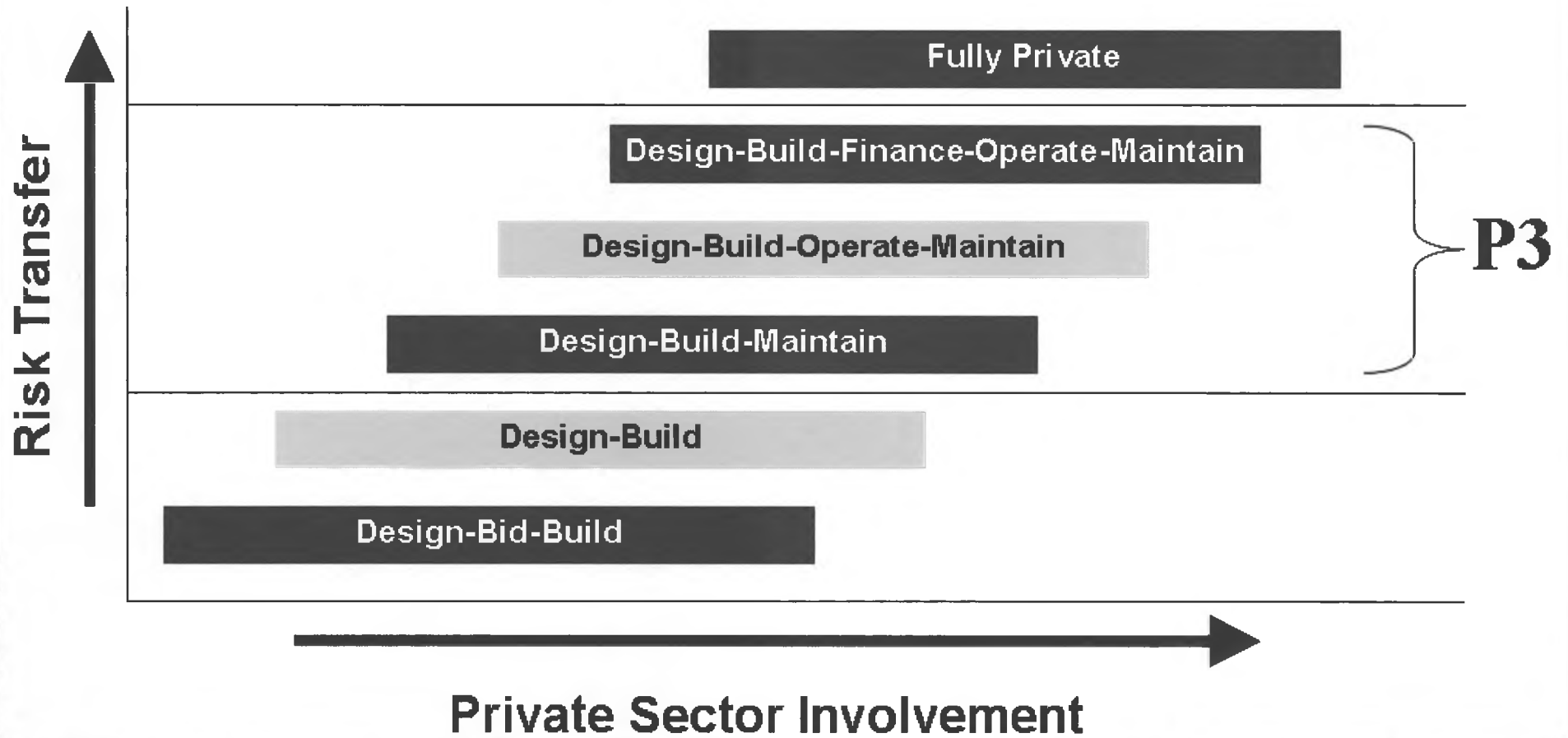
- Transfer design, construction, O&M risk to private sector
- Provide incentives for cost control & proper maintenance
- Attract subordinate equity financing

## Cash Flow Waterfall



# Spectrum of P3 Options

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# Questions/Discussion

