

**Alaska Industrial Development and Export Authority -
Ambler Mining District Access**

**FY2014 Request: \$8,500,000
Reference No: 51748**

AP/AL: Appropriation

Project Type: Construction

Category: Transportation

Location: Ambler

House District: Arctic (HD 40)

Impact House District: Arctic (HD 40)

Contact: Ted Leonard

Estimated Project Dates: 07/01/2013 - 06/30/2018

Contact Phone: (907)771-3050

Brief Summary and Statement of Need:

This project will continue environmental studies, and alignment options for a highway between the Ambler mining district and Dalton Highway, or other logical corridor options. The evaluation will identify the viability of communities along the route to reduce costs for freight and passenger traffic. The ultimate goal is to define a preferred build alternative, secure environmental permits and right-of-way that can be transferred to a public-private partnership for final design, finance and construction. This project is one of several new public-private partnerships being explored to help the state facilitate the development of its natural resources.

Funding:	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>	<u>FY2019</u>	<u>Total</u>
AIDEA Div	\$8,500,000						\$8,500,000
Total:	\$8,500,000	\$0	\$0	\$0	\$0	\$0	\$8,500,000

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Prior Funding History / Additional Information:

Sec1 Ch17 SLA2012 P133 L29 SB160 \$4,000,000
 Sec1 Ch5 SLA2011 P101 L28 SB46 \$1,250,000
 Sec7 Ch43 SLA2010 P38 L12 SB230 \$4,000,000

Project Description/Justification:

The purpose of this project is to provide all season access for exploration and development of potential mineral resources within the Ambler mining district. Mineral resources in the region have long been known and access has been a significant factor in the region's lack of development. The goal of this effort is to define an optimal corridor, proceed with permitting and environmental documentation, and establish a right-of-way. Thereafter, some form of public-private partnership would be structured to proceed with private finance and construction relying on user commitments to repay the funds used to construct the facility.

Alaska Industrial Development and Export Authority (AIDEA) has been engaged in discussions with the Department of Transportation and Public Facilities (DOT&PF) and major resource owners in the district. AIDEA would lead the finance part of the project and be responsible for the overall project

management, while DOT&PF's role would be to assemble the project to the point of an approved project and established right-of-way.

The most likely transportation option consists of a truck haul route between the district and then easterly to the Dalton Highway. However, other options will be considered such as rail, and possibly land routes to other destinations. The straight line distance from the Dalton Highway to the Ambler district is 200 miles, though it is likely a selected road route would involve a somewhat longer distance to avoid sensitive areas and areas where land status does not permit a road. The transportation corridor will also address critical infrastructure needs for the development of natural resources such as power generation and communications.

DOT&PF is currently negotiating a contract for the environmental and engineering feasibility studies with a consultant. Project informational community meetings are being conducted in Ambler, Shungnak, and Kobuk at this time, with additional communities to be added as the corridor location is better defined through feasibility studies. Informational meetings have been conducted with the Northwest Arctic Borough, NANA Regional Corporation, and state and federal agencies.

This project will facilitate environmental and engineering studies related to subsistence activities in the region, and to specifically address these activities related to acquiring community support for this project. During initial scoping activities with local governments, maintaining traditional use of the land related to subsistence has been identified as an important issue.