

US Army Corps of Engineers Alaska District

Regulatory Division (1145) CEPOA-RD Post Office Box 6898 JBER, Alaska 99506-0898

Public Notice of Application for Permit

| PUBLIC NOTICE DATE: | October 30, 2018 |
|--------------------------|-------------------|
| EXPIRATION DATE: | November 29, 2018 |
| REFERENCE NUMBER: | POA-2017-00422 |
| WATERWAY: | Kalubik Creek |

Interested parties are hereby notified that a Department of the Army permit application has been received for work in waters of the United States (U.S.) as described below and shown on the enclosed project drawings.

Comments on the described work, with the reference number, should reach this office no later than the expiration date of this Public Notice (PN) to become part of the record and be considered in the decision. Please contact Mary Romero at (907) 753-2773, toll free from within Alaska at (800) 478-2712, by fax at (907) 753-5567, or by email at: mary.r.romero@usace.army.mil if further information is desired concerning this notice.

<u>APPLICANT</u>: Mr. Gordon Brower, North Slope Borough (NSB), PO Box 69, Utqiaġvik, Alaska 99723, (907) 852-0320. Gordon.Brower@north-slope.org

<u>AGENT</u>: Ms. Emily McDonald, UMIAQ Environmental, 6700 Arctic Spur Road, Anchorage, Alaska 99518, (907) 677-8288, Emily.McDonald@UICUmiaq.com

<u>LOCATION</u>: The project site is located within Section 12, T. 11 N., R. 8 E., Umiat Meridian; USGS Quad Map Beechey Point B-5; Latitude 70.3183° N., Longitude 149.9801° W.; approximately 25 miles east of Nuiqsut, Alaska.

<u>PURPOSE</u>: The applicant's stated purpose is to develop a regional material site providing gravel for industry.

PROPOSED WORK: This is a revised proposal that was originally sent out by PN in 2018.

The applicant proposes to mechanically clear a total of 74.09 acres of Palustrine emergent wetlands to develop a gravel mine site adjacent to the existing Mine Site F. This would be accomplished in two separate phases, the second phase would not be mechanically land cleared until the first phase is depleted.

Mechanical land clearing for Phase I of the proposal would occur in approximately a square shape 1383-feet long x 1400-feet wide with a rough triangle cut out of the northeastern corner, impacting 41.53 acres of wetlands. 25.35 acres of wetlands in the shape of an L along the western (1360-feet long x 400-feet wide) and southern (1400-feet wide x 400-feet long) borders of Phase I would be utilized for overburden stockpiling.

Phase II would be developed when Phase I has been depleted of usable gravels. It would involve the mechanical land clearing of the previously designated overburden stockpile area (25.35 acres of wetlands) and would also expand the L shaped area along the western (new dimensions of 1383-feet long x 440-feet wide) and southern (1840-feet wide x 440-feet long) borders; this would increase the impacts to a total 32.56 acres of wetlands impacted in Phase II (new additional impacts to 7.21 acres of wetlands). All new stockpiles would be stored in the developed Phase I area where reclamation would begin.

All work would be performed in accordance with the enclosed plan (sheets 1-9), dated October 16, 2018.

<u>ADDITIONAL INFORMATION</u>: The proposed project is part of the Mine Site F development east of the Kalubik Creek but would be separately owned and operated by the NSB.

The mine site proposal has been expanded to address the potential demands of future clients. Initial discussions with one significant client indicated they would be obtaining equal amounts of material from this site and one other site. Subsequent discussions with this same client presented the possibility that all the material they would need may come from Mine Site F. If that were the case, approximately 3 million yards of marketable material would need to come from this site. The initial area would not allow for the production of 3 million yards of marketable material, plus additional materials that other clients may want during the initial operations or following those operations. As the intent of this mine site is to provide for the regional demand, it is important that there is adequate volume available to meet those demands, and not have the entire available volume tied up by one client. Also, there needs to be adequate material under the initial plan to address facility needs such as a permanent access road and operational pads on site. Because of these potential demands the site was enlarged as shown on attached drawings to meet them. Should demands not materialize to the full potential, mining would be scaled to meet demands, along with associated reclamation.

<u>APPLICANT PROPOSED MITIGATION</u>: The applicant proposes the following mitigation measures to avoid, minimize, and compensate for impacts to waters of the U.S. from activities involving discharges of dredged or fill material.

a. Avoidance: The NSB states, "The NSB has a long history of environmental stewardship on their lands. Protection of lands and waters for wildlife and subsistence purposes are of high importance, and the intent to reduce impact is codified in their Municipal Code of Ordinances §19.70: Borough Policies. The NSB uses a holistic approach to land management by supporting and pursuing a regional development plan for material sites. As presented in their municipal code, goals are to avoid fragmentation of lands by industry as well

as advocate for upland material sources whenever possible to protect streambeds and fish habitat. Project-specific gravel sources often require auxiliary facilities such as access roads, gravel pads for stockpiling and offices, and snow fences. These facilities change the landscape by increasing airborne dust from truck haul on gravel roads, redirecting surface water flow, and degradation of tundra due to melting accumulated snow. The NSB's proposed development at Mine Site F is intended to supply gravel to projects within the Kuparuk region. There are many planned developments in the region, including Armstrong Energy's Nanushuk Project and potential expansions of existing mine sites. NSB has been working with industry players to utilize the regional gravel source as opposed to new project-specific sources.

According to the Draft Environmental Impact Statement (DEIS) for the Nanushuk Project, Armstrong Energy prefers that gravel is provided from permitted, third-party mine sites including Mine Site F. However, Armstrong Energy also submitted plans to develop their own three-cell material source, collectively referred to as Mine Area D, in the event that third-party sites cannot meet the schedule or required quantities. Mine Area D would be limited in use to supply only the Nanushuk Project. To meet the gravel needs of the Nanushuk Project, Mine Area D would have a combined footprint of 127.9 acres. This does not include the footprint of access roads which would be required to transport mined material. Mine Area D would provide approximately 5,885,000 cubic yards (CY) of gravel to Armstrong Energy. By developing Mine Site F as the regional gravel source for Kuparuk and eliminating the need to develop Mine Area D, 127.9 acres of wetlands impact is successfully avoided. This number does not take into account the impact of access roads and pads, offroad and gravel haul travel, and noise and light impact to wildlife. Additionally, it is anticipated that Mine Site F will be able to produce approximately 11,000 CY more gravel per acre than the Nanushuk Mine Area D, further reducing wetlands impacted by gravel extraction.

The east channel of the Colville River is less than one mile away from Mine Area D at its westernmost cell. The NSB advocates for upland material sources to avoid impacts to waterways, including mine site failure due to breach and/or flooding, noise and light impacts to fish and wildlife, especially during blasting and hauling operations, and potential contamination. Additionally, Mine Area D is approximately seven miles from the community of Nuiqsut. Due to the close proximity of the mine to Nuiqsut, light and sound pollution are likely to be experienced in the community. Three additional gravel cells nearby may change wildlife patterns and subsistence hunting strategies. The gravel source may also experience impacts from personal offroad vehicles and snowmachines if access to Mine Area D is not properly controlled. These environmental impacts will be avoided completely by developing Mine Site F as an upland, regional gravel source for the Nanushuk Project.

ConocoPhillips Alaska Inc. (CPAI) maintains roadways within the Kuparuk River Unit, including Spine Road, the main east-west connector in Prudhoe Bay. Gravel required for maintenance of CPAI's roadways is estimated to be approximately 250,000 CY annually. It is anticipated that over the next five years, CPAI will require 1.25 million CY of gravel for road maintenance, which would require approximately 25 acres of wetlands to be mined. Mine Site F will supply gravel for maintenance, eliminating the need for expansion of an existing gravel mine and avoiding impact to wetlands which would be caused by an expansion. Utilization of this regional mine site will further NSB's goals of avoiding minimizing impact by fragmentation of lands and advocate for upland material sources to protect streambeds and fish habitat. b. Minimization: To minimize impacts the NSB states, "Mine Site F was chosen by the NSB for development of a regional material site in part due to the existing infrastructure. There is an existing unnamed road which intersects Spine Road/Kuparuk Road and provides access to Mine Site F. Only one small permanent access road will be required across Kalubik Creek. This crossing will be constructed after Phase I of mining is compete, which will be accessed entirely by ice roads. The existing gravel pad will be utilized for offices, equipment parking, fueling, and temporary explosives storage, and well as stockpiling material for sale. Utilizing this existing gravel pad eliminates the need for constructing a new gravel pad and minimizes infrastructure on the eastern side of Kalubik Creek. It is estimated that a 400-foot x 1,000-foot gravel pad would be required to operate Mine Site F if the existing pad were unusable. This is a minimization of the project footprint by approximately nine acres.

After reclamation of the developed mine site, gravel pits will gradually fill with water. These water reservoirs can be used by industry to construct ice roads, to supplement drilling activities, and for dust control and watering measures to minimize impact to natural, fish bearing lakes. The NSB will offer water collected in the Phase I mining area to Armstrong Energy to water their Nanushuk Project roads for dust control. Final reclamation may include beneficial reuse of the developed mining site, such as a future landfill or monofill. A below-grade landfill would be easier to maintain and create less visual impact than a mounded landfill, and the Mine Site F location is ideal due to its distance from an airport.

c. Compensatory Mitigation: On compensatory mitigation the NSB states, "Mine Site F is the first step in that direction, and will reduce the overall impact of development in the Kuparuk Region. With current planned projects alone, NSB will offset unavoidable wetlands impact by 149.9 acres.

| Proposed Development | Wetlands Footprint (acres) |
|--------------------------------------|-------------------------------|
| Nanushuk Mine Area D | 127.90 |
| 5 years of maintenance of CPAI Roads | 25.00 |
| TOTAL | 152.90 |
| Mine Site F | 148.68 |

Minimization efforts including use of existing infrastructure at Mine Site F and beneficial use of the developed mine will contribute to overall reduction of wetlands development in the Kuparuk River Unit. For these reasons, the NSB respectfully proposes that additional Compensatory Mitigation is not appropriate for this project.

<u>WATER QUALITY CERTIFICATION</u>: A permit for the described work will not be issued until a certification or waiver of certification, as required under Section 401 of the Clean Water Act (Public Law 95-217), has been received from the Alaska Department of Environmental Conservation.

<u>CULTURAL RESOURCES</u>: The latest published version of the Alaska Heritage Resources Survey (AHRS) has been consulted for the presence or absence of historic properties, including those listed in or eligible for inclusion in the National Register of Historic Places. There are no cultural resources in the permit area or within the vicinity of the permit area. The permit area has been determined to be the complete project area. Consultation of the AHRS constitutes the extent of cultural resource investigations by the Corps of Engineers (Corps) at this time, and we are otherwise unaware of the presence of such resources. The Corps has made a No Historic Properties Affected (No Effect) determination for the proposed project. This application is being coordinated with the State Historic Preservation Office (SHPO). Any comments SHPO may have concerning presently unknown archeological or historic data that may be lost or destroyed by work under the requested permit will be considered in our final assessment of the described work. The Corps is requesting the SHPO's concurrence with this determination.

<u>ENDANGERED SPECIES</u>: The project area is within the known or historic range of the polar bear (*Ursus maritimus*), Steller's eider (*Polysticta stelleri*), and spectacled eider (*Somateria fischeri*).

We have determined the described activity may affect the polar bear, Steller's and spectacled eider. We have initiated the appropriate consultation procedures under section 7 of the Endangered Species Act with the U.S. Fish and Wildlife Service. Any comments they may have concerning endangered or threatened wildlife or plants or their critical habitat will be considered in our final assessment of the described work.

<u>ESSENTIAL FISH HABITAT</u>: The Magnuson-Stevens Fishery Conservation and Management Act, as amended by the Sustainable Fisheries Act of 1996, requires all Federal agencies to consult with the NMFS on all actions, or proposed actions, permitted, funded, or undertaken by the agency, that may adversely affect Essential Fish Habitat (EFH).

No EFH species are known to use the project area.

<u>TRIBAL CONSULTATION</u>: The Alaska District fully supports tribal self-governance and government-to-government relations between Federally recognized Tribes and the Federal government. Tribes with protected rights or resources that could be significantly affected by a proposed Federal action (e.g., a permit decision) have the right to consult with the Alaska District on a government-to-government basis. Views of each Tribe regarding protected rights and resources will be accorded due consideration in this process. This PN serves as notification to the Tribes within the area potentially affected by the proposed work and invites their participation in the Federal decision-making process regarding the protected Tribal right or resource. Consultation may be initiated by the affected Tribe upon written request to the District Commander during the public comment period.

<u>PUBLIC HEARING</u>: Any person may request, in writing, within the comment period specified in this notice, that a public hearing be held to consider this application. Requests for public hearings shall state, with particularity, reasons for holding a public hearing.

<u>EVALUATION</u>: The decision whether to issue a permit will be based on an evaluation of the probable impacts, including cumulative impacts of the proposed activity and its intended use on the public interest. Evaluation of the probable impacts, which the proposed activity may have on the public interest, requires a careful weighing of all the factors that become relevant in each particular case. The benefits, which reasonably may be expected to accrue from the

proposal, must be balanced against its reasonably foreseeable detriments. The outcome of the general balancing process would determine whether to authorize a proposal, and if so, the conditions under which it will be allowed to occur. The decision should reflect the national concern for both protection and utilization of important resources. All factors, which may be relevant to the proposal, must be considered including the cumulative effects thereof. Among those are conservation, economics, aesthetics, general environmental concerns, wetlands, cultural values, fish and wildlife values, flood hazards, floodplain values, land use, navigation, shore erosion and accretion, recreation, water supply and conservation, water quality, energy needs, safety, food and fiber production, mineral needs, considerations of property ownership, and, in general, the needs and welfare of the people. For activities involving 404 discharges, a permit will be denied if the discharge that would be authorized by such permit would not comply with the Environmental Protection Agency's 404(b)(I) guidelines. Subject to the preceding sentence and any other applicable guidelines or criteria (see Sections 320.2 and 320.3), a permit will be granted unless the District Commander determines that it would be contrary to the public interest.

The Corps is soliciting comments from the public; Federal, State, and local agencies and officials; Indian Tribes; and other interested parties in order to consider and evaluate the impacts of this proposed activity. Any comments received will be considered by the Corps to determine whether to issue, modify, condition or deny a permit for this proposal. To make this decision, comments are used to assess impacts on endangered species, historic properties, water quality, general environmental effects, and the other public interest factors listed above. Comments are used in the preparation of an Environmental Assessment and/or an Environmental Impact Statement pursuant to the National Environmental Policy Act. Comments are also used to determine the need for a public hearing and to determine the overall public interest of the proposed activity.

<u>AUTHORITY</u>: This permit will be issued or denied under the following authority:

(X) Discharge dredged or fill material into waters of the United States – Section 404 Clean Water Act (33 U.S.C. 1344). Therefore, our public interest review will consider the guidelines set forth under Section 404(b) of the Clean Water Act (40 CFR 230).

Project drawings and a Notice of Application for State Water Quality Certification are enclosed with this Public Notice.

District Commander U.S. Army, Corps of Engineers

Enclosures

STATE OF ALASKA

DEPT. OF ENVIRONMENTAL CONSERVATION DIVISION OF WATER Wastewater Discharge Authorization Program (WDAP) / 401 Certification

DEPARTMENT OF ENVIRONMENTAL CONSERVATION WDAP/401 CERTIFICATION 555 CORDOVA STREET ANCHORAGE, ALASKA 99501-2617 PHONE: (907) 269-6285 | EMAIL: <u>dec-401cert@alaska.gov</u>

NOTICE OF APPLICATION FOR STATE WATER QUALITY CERTIFICATION

Any applicant for a federal license or permit to conduct an activity that might result in a discharge into navigable waters, in accordance with Section 401 of the Clean Water Act of 1977 (PL95-217), also must apply for and obtain certification from the Alaska Department of Environmental Conservation that the discharge will comply with the Clean Water Act, the Alaska Water Quality Standards, and other applicable State laws. By agreement between the U.S. Army Corps of Engineers and the Department of Environmental Conservation, application for a Department of the Army permit to discharge dredged or fill material into navigable waters under Section 404 of the Clean Water Act also may serve as application for State Water Quality Certification.

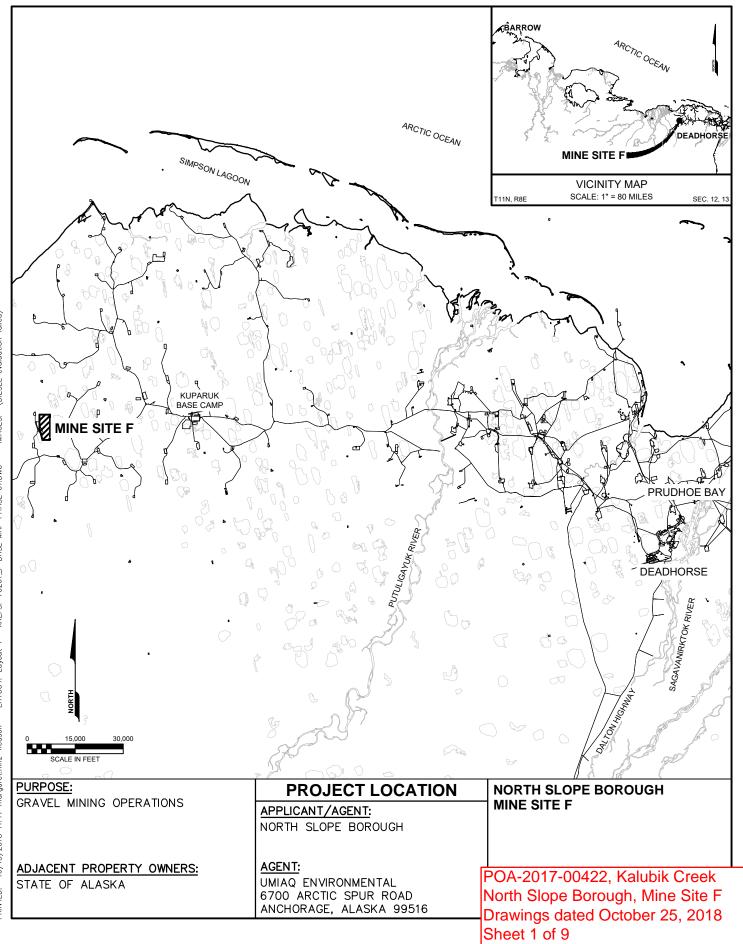
Notice is hereby given that the application for a Department of the Army Permit described in the Corps of Engineers' Public Notice (PN) Reference Number **POA-2017-00422, Kalubik Creek**, serves as application for State Water Quality Certification from the Department of Environmental Conservation.

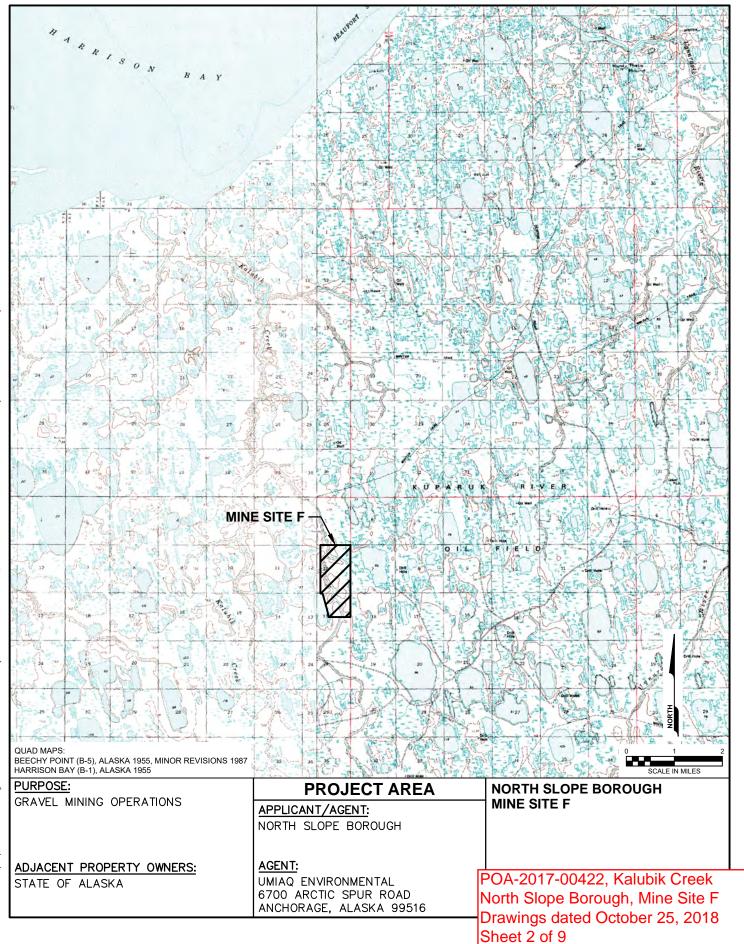
After reviewing the application, the Department may certify there is reasonable assurance the activity, and any discharge that might result, will comply with the Clean Water Act, the Alaska Water Quality Standards, and other applicable State laws. The Department also may deny or waive certification.

Any person desiring to comment on the project with respect to Water Quality Certification, may submit written comments to the address above or via email to <u>dec-401cert@alaska.gov</u> by the expiration date of the Corps of Engineer's Public Notice. All comments should include the PN reference number listed above. Mailed comments must be postmarked on or before the expiration date of the public notice.

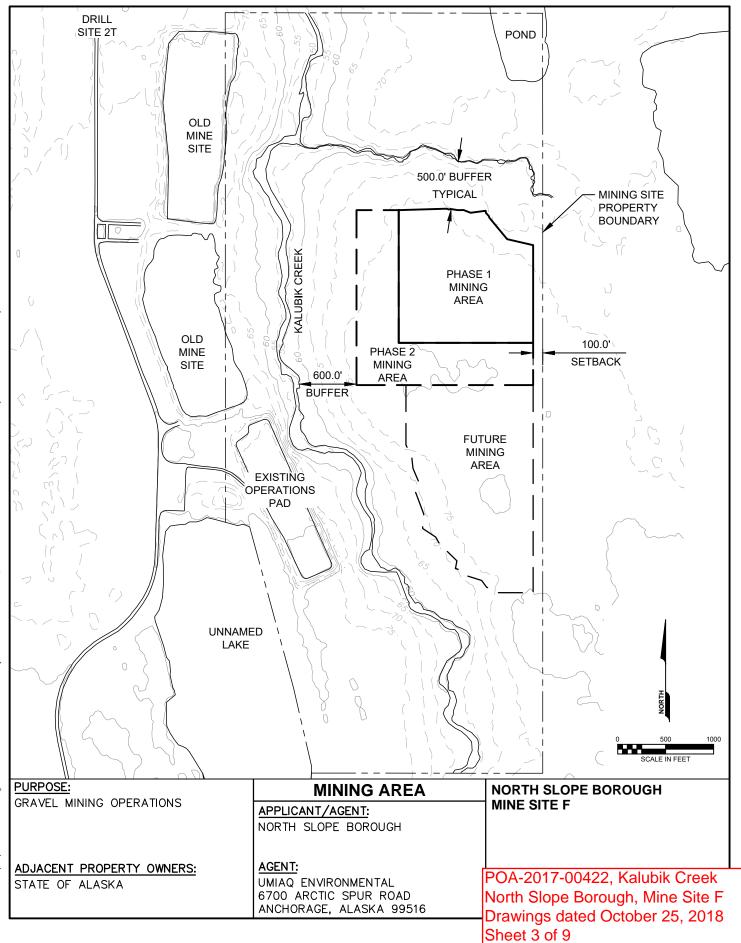
Disability Reasonable Accommodation Notice

The State of Alaska, Department of Environmental Conservation complies with Title II of the Americans with Disabilities Act of 1990. If you are a person with a disability who may need special accommodation in order to participate in this public process, please contact Theresa Zimmerman at 907-465-6171 or TDD Relay Service 1-800-770-8973/TTY or dial 711 within 5 days of the expiration date of this public notice to ensure that any necessary accommodations can be provided.

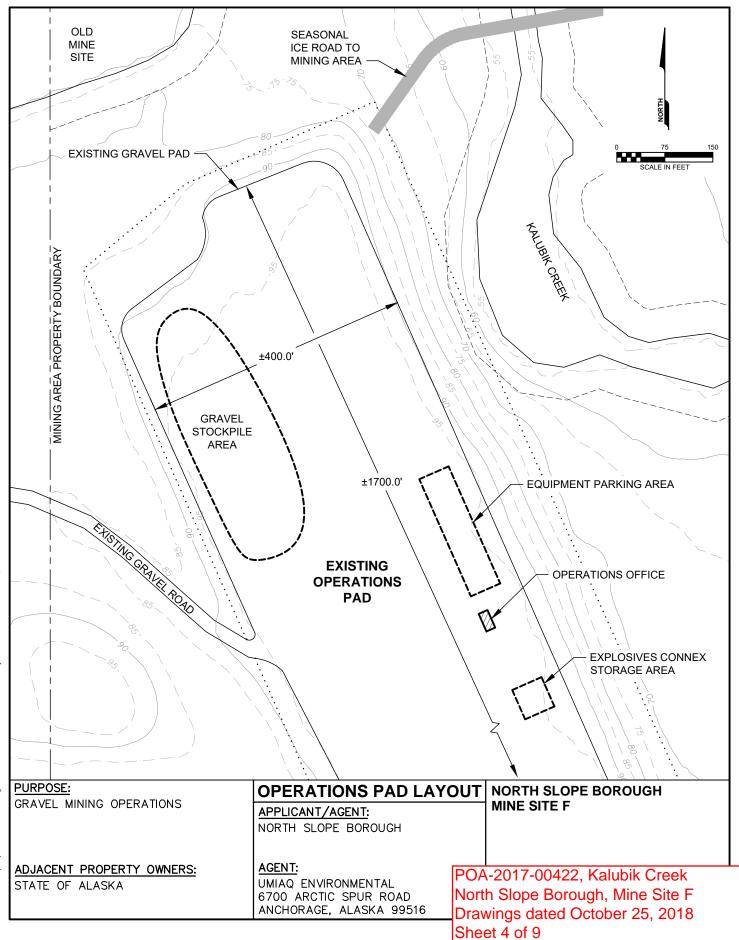


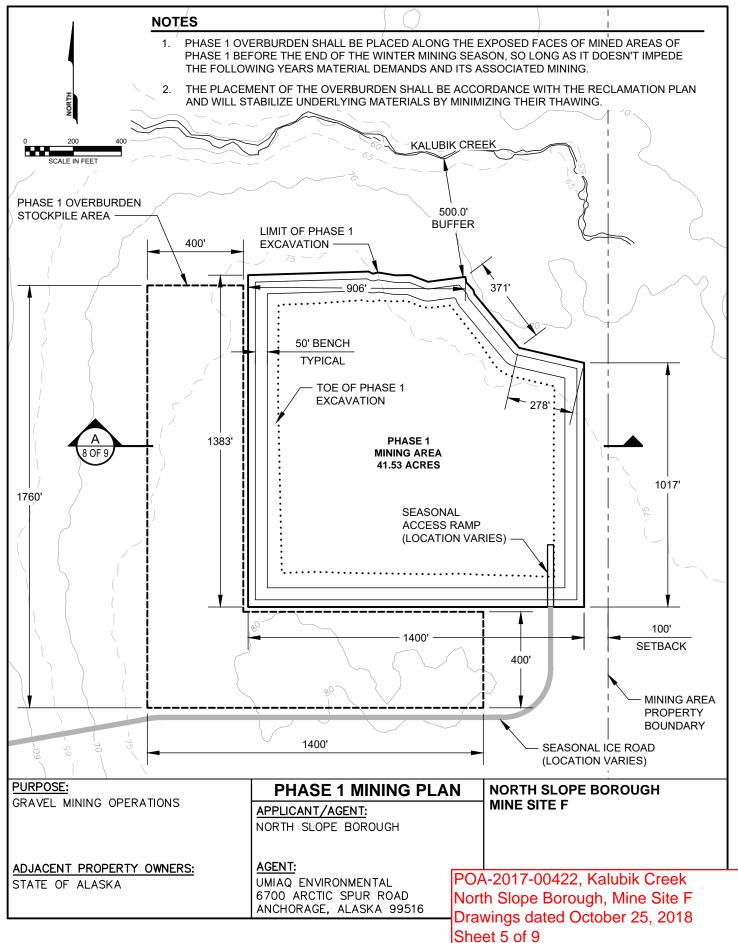


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