



US Army Corps
of Engineers
Alaska District

Public Notice of Application for Permit

FAIRBANKS FIELD OFFICE
Regulatory Division (1145)
CEPOA-RD
2175 University Avenue, Suite 201E
Fairbanks, Alaska 99709-4927

PUBLIC NOTICE DATE: May 25, 2012

EXPIRATION DATE: June 8, 2012

REFERENCE NUMBER: POA-2003-1422

WATERWAY: Channel B

Interested parties are hereby notified that a Department of the Army permit application has been received for work in waters of the United States 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 to become part of the record and be considered in the decision. Please contact **Greg Mazer** at (907) 474-2166, by fax at (907) 474-2164, or by email at Gregory.j.mazer@usace.army.mil if further information is desired concerning this notice.

APPLICANT: Tin Cup, LLC, 1881 Livengood, Fairbanks, Alaska 99701; Mr. Richard Schok

LOCATION: The project site is located within Sections 26, 27, 34 and 35, T. 1 S., R. 1 E., Fairbanks Meridian, USGS Quad Maps Fairbanks (D-1) SW and Fairbanks (D-2) SE,; Latitude 64.7958° N., Longitude 147.4966° W.; near North Pole, Alaska. The site is between the Old Richardson Highway and Bradway Road approximately 1.5 miles east of the intersection of Dennis Road and the Old Richardson Highway.

PURPOSE: The applicant's stated purpose is to consolidate existing pipe manufacturing facilities in five locations for more efficient and economical operations.

PROPOSED WORK: The applicant would place approximately 1,000,000 cubic yards of gravel fill into 118 acres of jurisdictional wetlands to create a gravel pad that would support facilities for pipe manufacturing, coating, and storage. In addition, 24 acres of jurisdictional wetlands would be mechanically cleared for gravel extraction and 1 acre would be temporarily filled for the construction of a 1,500-foot long gravel access road connecting the gravel source area to the gravel pad. Several buildings and a

railroad spur would be constructed upon the proposed gravel pad. All work would be performed in accordance with the enclosed plan, (Sheets 1-4), dated May 23, 2012 and May 22, 2008.

ADDITIONAL INFORMATION:

Tin Cup, LLC is a holding company for Flowline Alaska, Inc., which provides pipe fabrication and storage services to oil and gas companies, the Alaska Department of Transportation and Public Facilities, and others. Flowline Alaska, Inc. currently conducts its operations in three separate locations within Fairbanks. The main production facility and the other facilities are situated on properties that are no more than 14 acres in size, (combined size of contiguous area where operations occur). One of the locations is over 0.25 mile away from the main production facility. Materials and personnel travel on public roads to access the disparate facilities. Flowline Alaska, Inc. leases all the properties where it conducts operations from the Alaska Railroad Company.

Permitting history

On April 15, 2004, the Alaska District of the U.S. Army Corps of Engineers issued a permit to fill 165 acres of wetlands on the property in 2004 with a construction period for completing the work set at March 31, 2007. Although Tin Cup, LLC cleared vegetation from approximately 35 acres of wetland at the site, it did not discharge any fill into jurisdictional wetlands authorized by the permit.

On May 22, 2008, the Alaska District received an application from Tin Cup, LLC for essentially the same activity they had proposed to conduct under the original permit. A public notice was issued for the proposed project on June 2, 2008. In response to concerns raised during the public notice, the applicant conducted a wetland delineation in 2009, which was approved by the District in 2010. However, no permit was issued due to an appeal of the jurisdictional determination, which was not resolved until April 13, 2012 when the District re-issued the positive jurisdictional determination.

Although the project plans remain essentially unchanged from 2008, the proposed activity would result in the placement of fill into 143 acres of wetland rather than 165 acres as originally proposed because the total amount of wetland at the site had been overestimated in 2008. The 2009 wetland delineation, demonstrated that the extent of wetland within the proposed project area is 143 acres.

Site description

The site is situated within the alluvial plain stretching between the Tanana and Chena Rivers. The alluvial plain is a relatively flat area about 23 miles long and 8 miles wide that is bounded by the Tanana River on the south, Moose Creek Dam on the east and the bases of bedrock hills on the north and west near the Chena River. As with most of the alluvial plain, the site slopes gently from east to west at approximately 1 to 6 feet per mile (0.02 to 0.11 percent).

The 2009 wetland delineation demonstrated that most of the Tin Cup site is wetland, except for the 95.4 acres of upland in the southwestern part of the site and the 8.6 acres of upland in the eastern part of the site. Although the delineation excluded the 40 acres in the southeastern part of the site, the District determined that this area is wetland. Thus, of the 455 acres at the site, the total amount of wetland is 351 acres. The wetland delineation report identifies five plant communities within the on-site wetland as

follows: Shrub-Scrub, Black Spruce Closed Forest, Alaska Birch/Shrub Birch, Grasslike and Dwarf Shrub, and Alaska Birch/Calamagrostis. The Grasslike and Dwarf Shrub community comprises the 27-acre area that was cleared of vegetation in 2007. These communities support near-surface saturation and/or very shallow inundation; none support any substantial amount of open water.

The on-site wetland is part of a very large wetland (approximately 2,500 acres within the sub-watershed) that extends mainly east and south of the site. The wetland is generally unencumbered by roads, houses, or other structures, but is constrained by the Richardson Highway on the south and Bradway Road on the north.

The southwestern 95.4 acres of the site was cleared of vegetation and lightly graded over 20 years ago. As a result, several parallel spoil berms ('windrows') were created; the berms are about 75 feet wide and elevated approximately 3 feet above the surrounding ground. This area has been left fallow, but is mowed regularly to prevent re-growth of shrubs and trees. The 8.6-acre upland in the eastern part of the site also appears to have been cleared and graded over 20 years ago.

APPLICANT PROPOSED MITIGATION: The applicant proposes the following mitigation measures to avoid, minimize, and compensate for impacts to waters of the United States from activities involving discharges of dredged or fill material.

a. Avoidance: Although much of the project would occur in a previously cleared upland (95.4 acres), the project is unable to avoid placing fill in 143 acres of wetland, (118 acres for the gravel pad, 1 acre for the temporary access road, and 24 acres for the gravel source area), due to the broad expanse of wetland on site.

b. Minimization: During the processing for the 2004 permit, the applicant reduced the proposed gravel pad by 80 acres. The area that would no longer be used for this part of the gravel pad is jurisdictional wetland. The current proposal retains this reduction in the project design and the associated reduction in wetland impact. All fill would be placed on geotextile sheeting or equivalent material to prevent excessive settling and minimize thaw of the underlying frost. During fill placement, silt fences or hay bales would be placed at the edges of the buffer zones to prevent sedimentation in adjacent wetlands. In addition, the applicant proposed 25-foot wide vegetated buffers along the portions of the site where wetland would be filled; these buffers would be comprised of wetland that would not be directly disturbed by the proposed activity.

c. Compensatory Mitigation: As mentioned above, the applicant proposes to establish a pond with emergent wetland fringe after completing gravel extraction by following the April 29, 2004 Gravel Source Reclamation Plan that was submitted to the District in 2008. The reclamation area would be approximately 24 acres and would contain a pond approximately 18 acres in size. Overburden and topsoil stockpiled during gravel extraction would be placed in the pond and the adjacent wetland fringe area to be created as part of the reclamation. The wetland fringe would include the pond shoreline, which would be graded at a 20 to 1 (horizontal to vertical) slope. As indicated on Sheet 4 of 4, the reclamation plan includes establishing a 250-foot wide buffer area situated around the west, north, and east sides of the reclamation area; this buffer area would be comprised of wetland that

would not be directly disturbed by the proposed activity. In addition, the 1,500-foot access road would be removed after gravel extraction is complete.

WATER QUALITY CERTIFICATION: 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.

CULTURAL RESOURCES: 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 listed or eligible properties in the vicinity of the worksite. Consultation of the AHRS constitutes the extent of cultural resource investigations by the District Commander at this time, and he is otherwise unaware of the presence of such resources. 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.

ENDANGERED SPECIES: No threatened or endangered species are known to use the project area. We have determined the described activity would have no effect on any listed or proposed threatened or endangered species, and would have no effect on any designated or proposed critical habitat, under the Endangered Species Act of 1973 (87 Stat. 844). Therefore, no consultation with the U.S. Fish and Wildlife Service or the National Marine Fisheries Service is required. However, 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.

ESSENTIAL FISH HABITAT: 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. We have determined the described activity would not adversely affect EFH in the project area.

TRIBAL CONSULTATION: 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 Public Notice 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.

PUBLIC HEARING: 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.

EVALUATION: 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)(1) 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 of Engineers 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 of Engineers 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.

AUTHORITY: 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
401 Certification Program
Non-Point Source Water Pollution Control Program

DEPARTMENT OF ENVIRONMENTAL CONSERVATION
WQM/401 CERTIFICATION
555 CORDOVA STREET
ANCHORAGE, ALASKA 99501-2617
PHONE: (907) 269-7564/FAX: (907) 334-2415









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 No. POA-2003-1422 Channel B, 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 by the expiration date of the Corps of Engineer's Public Notice.

-  Tin Cup Property Limits
-  Gravel Sources
-  Gravel Fill
-  Future Expansion Area
-  Access Roads to Gravel Sources
-  Proposed Railroad Spur
-  Proposed Buildings & Pipe Storage Areas
-  Parcels

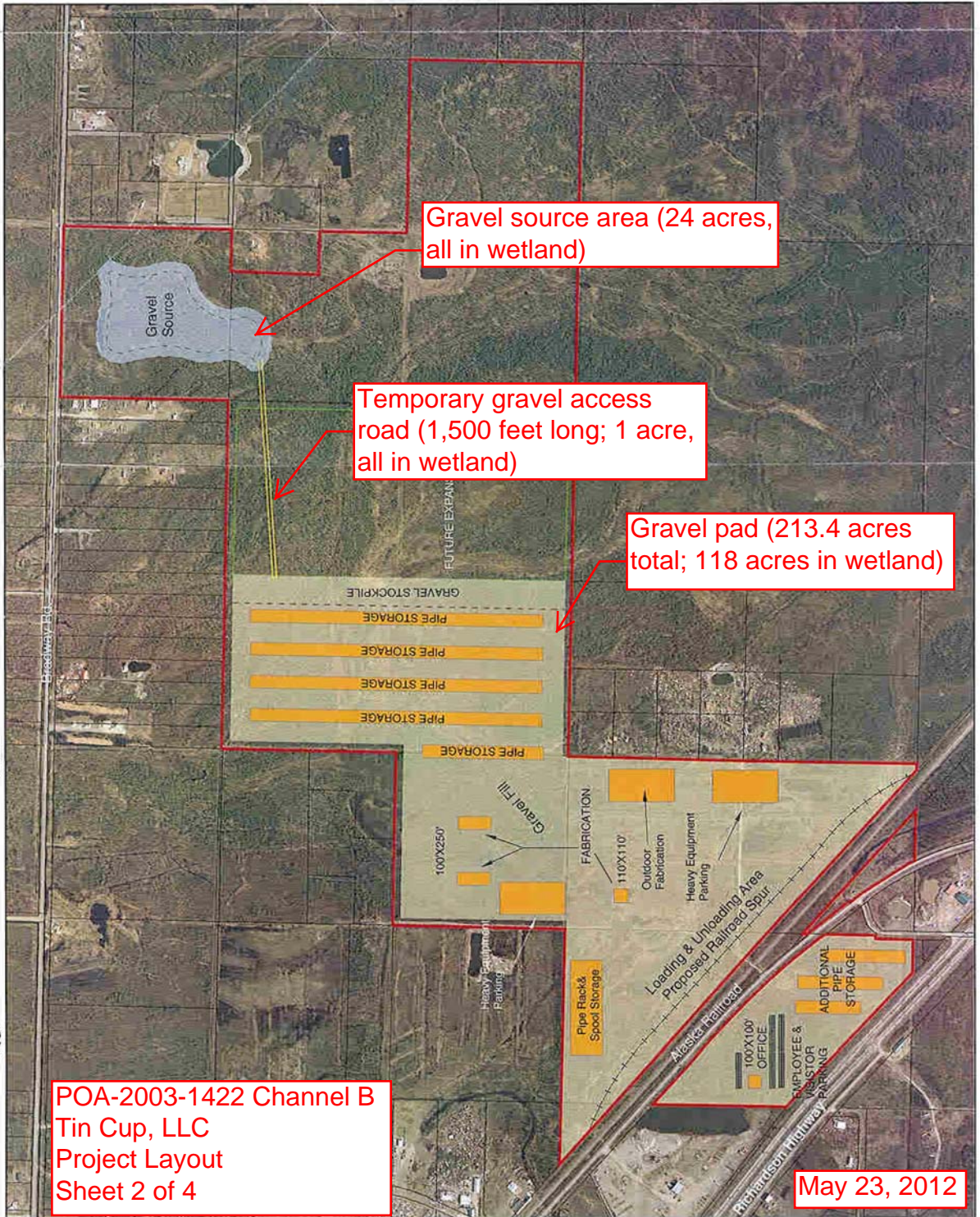


Coordinate system NAD27, projection State Plane Zone 3. Parcel data was provided by the Northstar Borough dated 2000. Aerial image provided by AerialmapUS, Inc. acquired in 2001. The image has been georeferenced and was digitized at a resolution of 2 pixels.

**TIN CUP
PROPOSED ACTIVITY
T1S R1E, Fairbanks Meridian**

SCALE: 0 500 1,000 Feet
FIGURE: 1

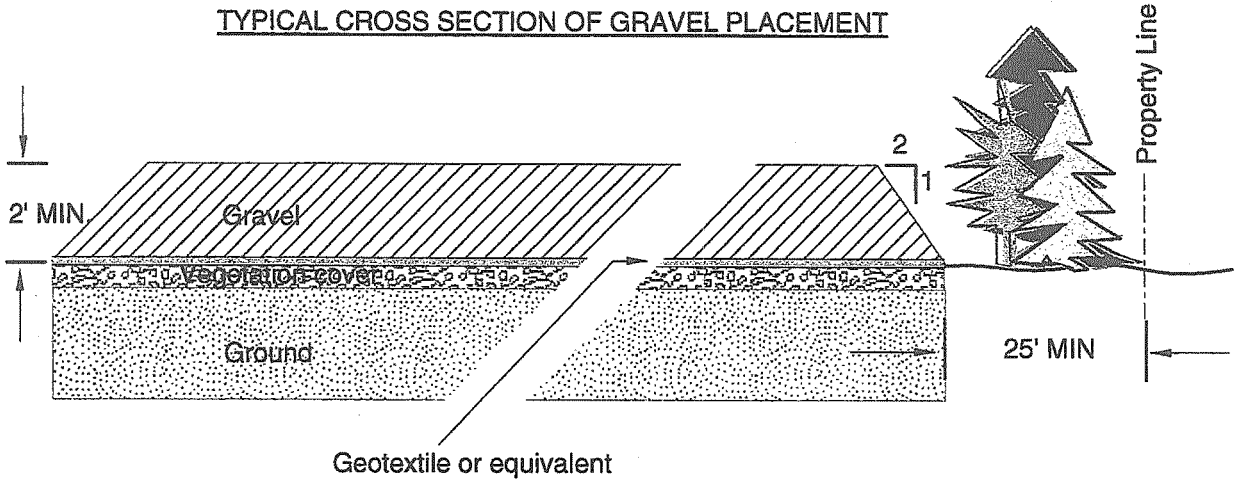
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05/23/2012, RCM



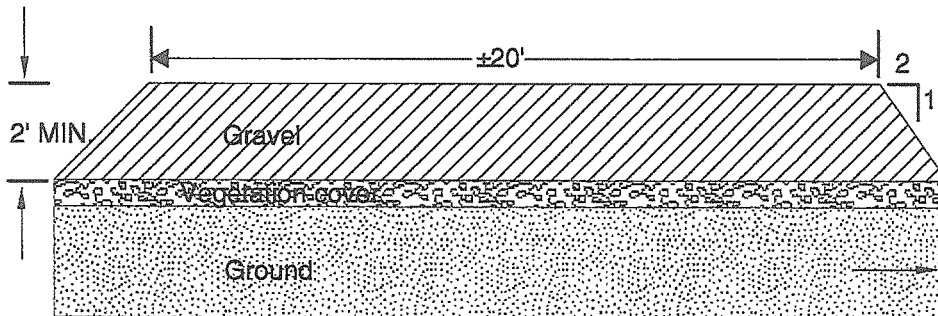
POA-2003-1422 Channel B
Tin Cup, LLC
Project Layout
Sheet 2 of 4

May 23, 2012

TYPICAL CROSS SECTION OF GRAVEL PLACEMENT



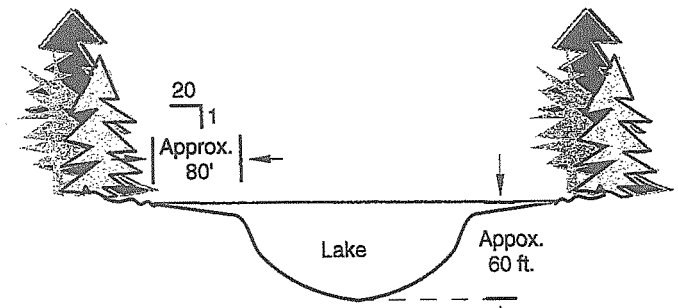
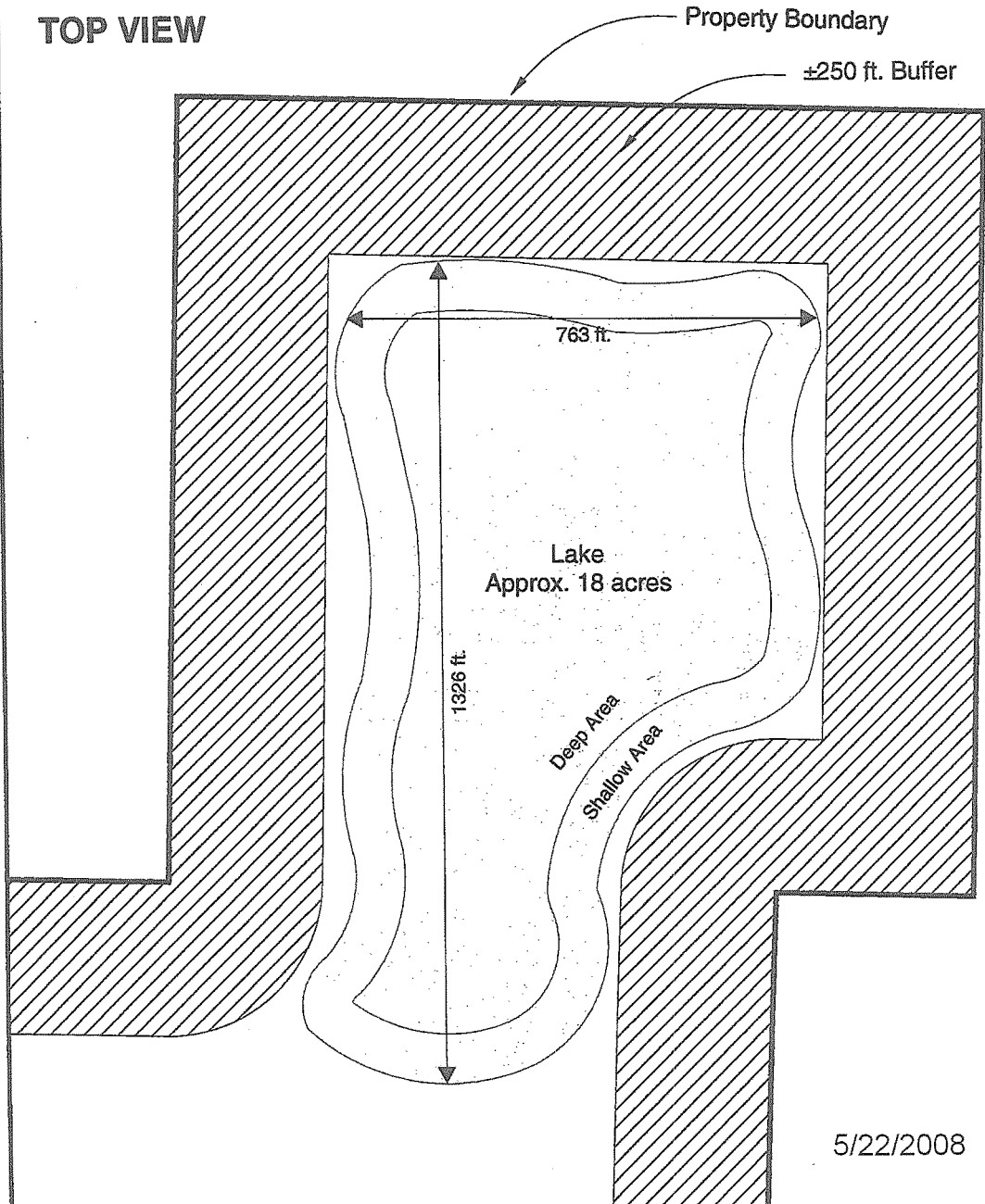
TYPICAL CROSS SECTION OF TEMPORARY GRAVEL ROAD



5/22/2008

POA-2003-1422 Channel B
Tin Cup, LLC
Typical Cross Sections of Gravel
Pad and Temporary Gravel
Source Area Access Road
Sheet 3 of 4

TOP VIEW



CROSS SECTION

POTENTIAL LAKE AREA,
TYPICAL CROSS SECTION,
AFTER RECONTOURING OF
THE GRAVEL PIT

POA-2003-1422 Channel B
Tin Cup, LLC
Gravel Source Area Reclamation
Sheet 4 of 4