



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:** September 18, 2012

**EXPIRATION DATE:** October 17, 2012

**REFERENCE NUMBER:** POA-2011-930

**WATERWAY:** Fish 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 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 Debby McAtee by email at [Debby.J.McAtee@usace.army.mil](mailto:Debby.J.McAtee@usace.army.mil), by phone at (907) 907-474-2166, or by fax at (907) 474-2164, if further information is desired concerning this notice.

**APPLICANT:** Mr. Jerry Sadler, Airport Equipment Rental Airport Equipment Rental, 1285 Van Horn Road, Fairbanks, Alaska 99701

**AGENT:** Mr. Jeff Keener, Metallogeny, Inc., P.O. Box 82811, Fairbanks, Alaska 99708

**LOCATION:** The project site, APMA 2244, is located within Section 35, T. 3 N., R. 3 E., Fairbanks Meridian; USGS Quad Map Livengood A-1; Latitude 65.0429° N., Longitude 147.0838° W.; USMS 2024, near Chatanika, Alaska.

**PURPOSE:** The applicant's stated purpose is to extract and produce precious metals and stockpile value-added aggregate byproduct.

**PROPOSED WORK:** The applicant proposes to mine in an area 1,000 feet long by 1,000 feet wide by 35-45 feet deep over the next three years. In addition, an area 1,000 feet by 150 feet would be developed to stockpile organic overburden south of the proposed mining area. Each year a pit 250' wide and 1,000' long would be mined and the silt overburden would be placed in the previous year's pit as backfill, (Sheet 7 of 10).

Total discharge of fill would be 1,500,000 cubic yards (cy) including: 80,000 cy organic overburden; 670,000 cy silt overburden; and 750,000 cy pay gravel. Total acreage of disturbance for mine pit and organics stockpile would be 26.4 acres of Palustrine scrub-shrub wetlands. All work would be performed in accordance with the enclosed plan, (sheets 1-10), dated April 27, 2012.

ADDITIONAL INFORMATION:

Background information: In 2011, a Placer Mining General Permit (GP) was issued to the property owner, Stepovich Family Properties, APMA 2244, for 9.75 acres of wetlands/upland disturbance. The applicant has requested an Individual Permit as the proposed mining operation plan would exceed 10 acres of annual disturbance. The new operator is Airport Equipment Rental.

The work authorized under the GP, (See Current Conditions sheet 5 of 10), included a Pit (1000'x 250'), organic stockpile (1000'x 50'), and a silt stockpile (1000'x 125'). Under the proposed mining plan the organic stockpile would be moved south to the new organic stockpile area, (See sheet 7 of 10).

Reclamation: Fish Creek would not be impacted. The operation would provide a 50 foot buffer along Fish Creek. The old Sphinx Mine Pit, approximately 40 acres in size, would be reclaimed at the end of 2015. The original pit was about 40 feet deep and the water depth is estimated to be 10 to 15 feet deep. The reclaimed pit would improve waterfowl habitat, (See Mine Plan Narrative).

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.

**The applicant provided the following in his Applicant Proposed Mitigation Statement:**

a. Avoidance: "Fish Creek will not be impacted and a 50' wide area along Fish Creek will be avoided in order to maintain a vegetated buffer. Prospect drill data will be used to limit mining to only mineralized portions of the alluvial deposits. Only existing roads will be used to access work sites. Process facility will be placed on previously disturbed ground."

b. Minimization: " Only organic overburden will be placed on previously undisturbed surfaces. Silt overburden will be used to backfill previous excavations. Tailings will be placed in stockpiles located in the old Sphinx mine pit. Process water will be confined to the settling/recycle pond located within the old Sphinx mine pit."

c. Compensatory Mitigation: "The mining area is located on private land. The mine pit will be reclaimed as a shallow pond with small islands. The old Sphinx mine pit, converted to a settling/recycle pond, will be reclaimed as a pond with an islands. Pond banks will be sloped and reclaimed by spreading reserved organic overburden. The barren sand tails island, [currently in the Sphinx pit], will be reclaimed by spreading reserved organic overburden. Pond islands will provide excellent, protected nesting sites for waterfowl and other birds. Low to moderate value, frozen wetlands will be converted to high value wetlands, resulting in no net loss of wetlands. No additional compensatory action is proposed."

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.

Preliminarily, 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). This application is being coordinated with the U.S. Fish and Wildlife Service and the National Marine Fisheries Service (NMFS). 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. Preliminarily, 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-2011-930, Fish 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 by the expiration date of the Corps of Engineer's Public Notice.

**Airport Equipment Rental**

**APMA F-122244**

***Fish Creek Placer Gold Mine***

**POA-2011-930**

Livengood (A-1) – N65.0429°, W147.0838°

27 April 2012

Amendment No. 2..... Change of Operator; Expand mine pit; Describe mine plan;  
Submit USACE –IP application

**Introduction:**

This amendment serves as notification of a change of mine operator, proposes to expand the mine pit, describes the mine plan, and to serve as an application to the U.S. Army Corps of Engineers for an Individual Permit to exceed 10 acres of annual disturbance.

**New Operator:**

The Stepovich Family Properties LLC has entered into a mining agreement with Jerry Sadler, dba Airport Equipment Rental, to conduct placer mining activities on their patented mining claims located on Fish Creek. The location and current ground preparation has been described in the original application and Amendment No. 1.

Airport Equipment Rental

1285 Van Horn Road

Fairbanks, Alaska 99701

907-456-2000

**Current Conditions:**

During the winter of 2011 to 2012, a mine pit measuring 1,000 feet long by 250 feet wide was prepared by removing about 20,000 cubic yards of organic overburden and about 73,000 cubic yards of silt overburden. Organic overburden was placed in a stockpile measuring 1,000 feet long by 50 feet wide by 10 feet tall along the western limit of the mine pit. Silt overburden was placed in a stockpile measuring 1,000 feet long by 125 feet wide and 20 feet thick within the old Sphinx Mine Pit. **Total existing disturbance is 9.75 acres of which, about 6.9 acres may have been wetlands.** A reclamation bond for 10 acres has been posted with the Alaska statewide bond pool and will be renewed for 2012.

**Metallogeny, Inc.**

P.O. Box 82811, Fairbanks, Alaska 99708

Mining Plan Airport Equipment Rental POA-2011-930, Fish Creek APMA 2244 27 April 2012                      Sheet 1 of 10
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### **2012 Mine Plan:**

It is proposed to use the old Sphinx Mine Pit as a settling/recycling Mine Pond. This is a large, flooded excavation that was retained to eventually, re-utilize as a process pond when mining resumed. The original pit was about 40 feet deep and it is estimated that the typical water depth during the summer is 10 to 15 feet deep. The Mine Pond is isolated from Fish Creek.

The 2012 Mine Pit has been prepared for mining. A conventional washplant will be set up at the northeast corner of the pit and will process thawed pay gravel hauled from the pit with loaders or trucks. About 187,500 cubic yards of pay gravel will be processed with a wet screening plant and sluice box at a rate of 200 cubic yards per hour. Process water will be 100% recycled at a rate of 4,000 gallons per minute, using a 12-inch, hi-pressure centrifugal pump. All turbid waters that may flow from from the mine site will be diverted into the Mine Pond. At this time, it is not anticipated that make-up water will be needed from Fish Creek.

Coarse gravel tailings will be stockpiled along the northern edge of the Mine Pond and reserved for future use. Sand tailings will be stacked within the Mine Pond and eventually reclaimed as an island. Fine tailings will flow across the floor of the Mine Pond and will partly backfill the old excavation. No new disturbance (beyond the current disturbance) is planned during the 2012 mining season.

### **2013 to 2015 Mine Plan:**

It is proposed to mine three more annual pits, each measuring 1,000 feet long by 250 feet wide and averaging 40 feet deep by stockpiling organic overburden along the south edge and backfilling the previous year's pit with silt overburden. Each year (2013 to 2015) will increase the new disturbances to wetlands by 6.6 acres (250 ft x 1,150 ft, including organic overburden stockpile) and cumulatively, by 19.7 acres. Tailings will continue to be placed within previously mined areas. Fish Creek will not be impacted and will be protected by an undisturbed buffer of at least 50 feet. **At the end of the 2015 mining season, the total disturbance of previously undisturbed ground will be approximately 26.4 acres and 1,500,000 cubic yards.**

### **Reclamation Plan:**

When mining is completed in 2015, the Mine Pit will be reclaimed by partly backfilling with silt overburden and sloping the pit walls. The pit backfill will be contoured to make islands and the pit will be allowed to flood to create a number of protected nesting sites for waterfowl and other birds. The organic overburden stockpile will be reclaimed by spreading the organic material over sloped banks along the new pond and on its islands, as well as spread over the sand tails island located in the Mine Pond. Natural re-vegetation with alder, willow, and sedges is anticipated to occur quickly. The coarse gravel stockpile will be reserved as a value-added byproduct to be used for in the future for additional mine development. **The total area of new disturbance to**

**be reclaimed at the end of 2015 is 26.4 acres.** The area of the un-reclaimed coarse gravel stockpile is estimated to be less than 5 acres.

***Metalogeny, Inc.***

P.O. Box 82811, Fairbanks, Alaska 99708

Mining Plan

Airport Equipment Rental  
POA-2011-930, Fish Creek

APMA 2244

27 April 2012

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**Airport Equipment Rental**

**APMA F-122244**

***Fish Creek Placer Gold Mine***

**POA-2011-930**

Livengood (A-1) – N65.0429°, W147.0838°

27 April 2012

Airphotograph of Sphinx Mine Pit (1999).....

Not to Scale



**Metallogeny, Inc.**

P.O. Box 82811, Fairbanks, Alaska 99708

**Aerial Photo**

**Airport Equipment Rental  
POA-2011-930, Fish Creek  
APMA 2244**

**27 April 2012**

**Sheet 4 of 10**

**Airport Equipment Rental**

**APMA F-122244**

**Fish Creek Placer Gold Mine**

**POA-2011-930**

Livengood (A-1) -N65.0429°, W147.0838°

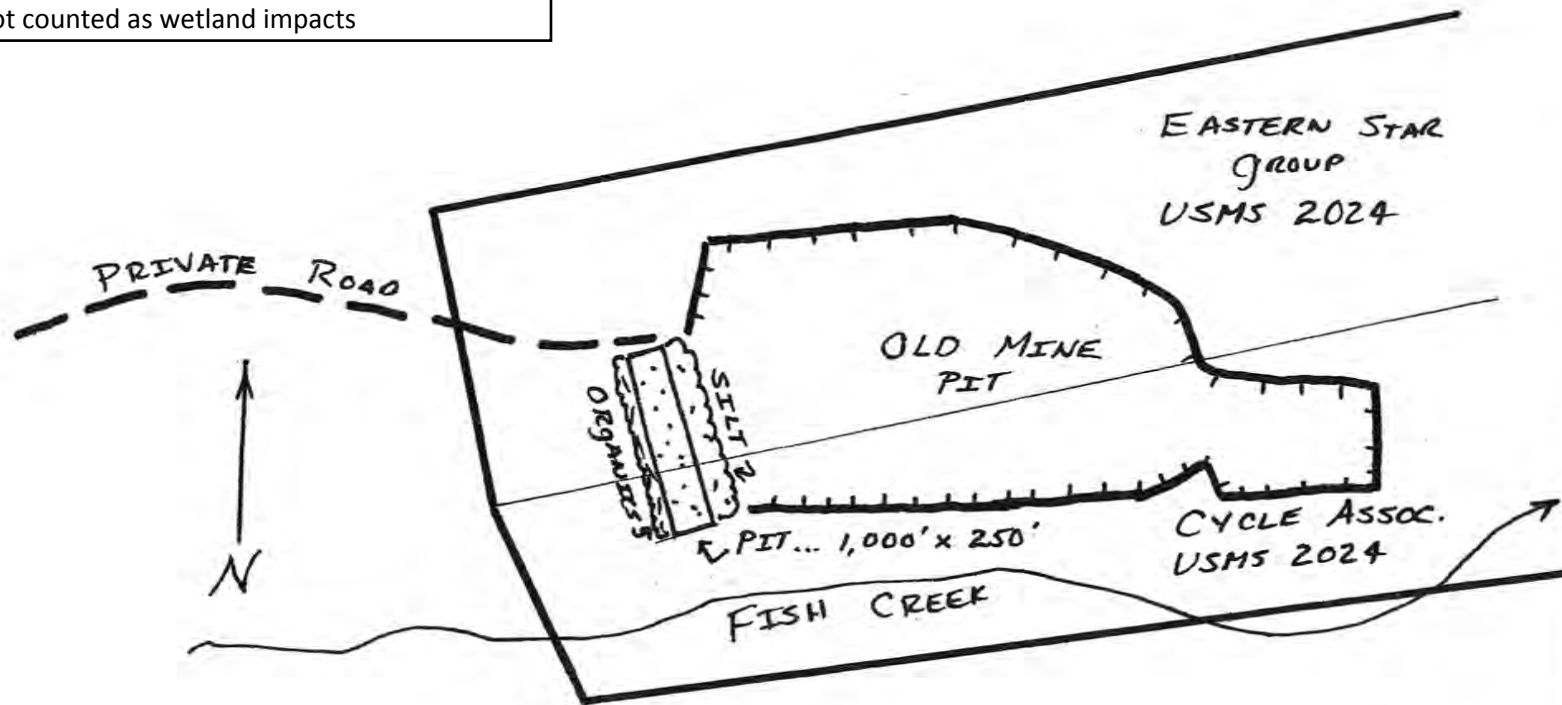
27 April 2012

Current Conditions... 9.75 acres disturbed

Not to Scale

**NOTE:**

Pit 250' + Organics 50' = 300' x 1000' = 6.9 acres  
Silt 125' was placed within the old mine pit and  
not counted as wetland impacts



Current Conditions  
Airport Equipment Rental  
POA-2011-930, Fish Creek  
APMA 2244  
27 April 2012 Sheet 5 of 10

**Airport Equipment Rental**

**APMA F-122244**

**Fish Creek Placer Gold Mine**

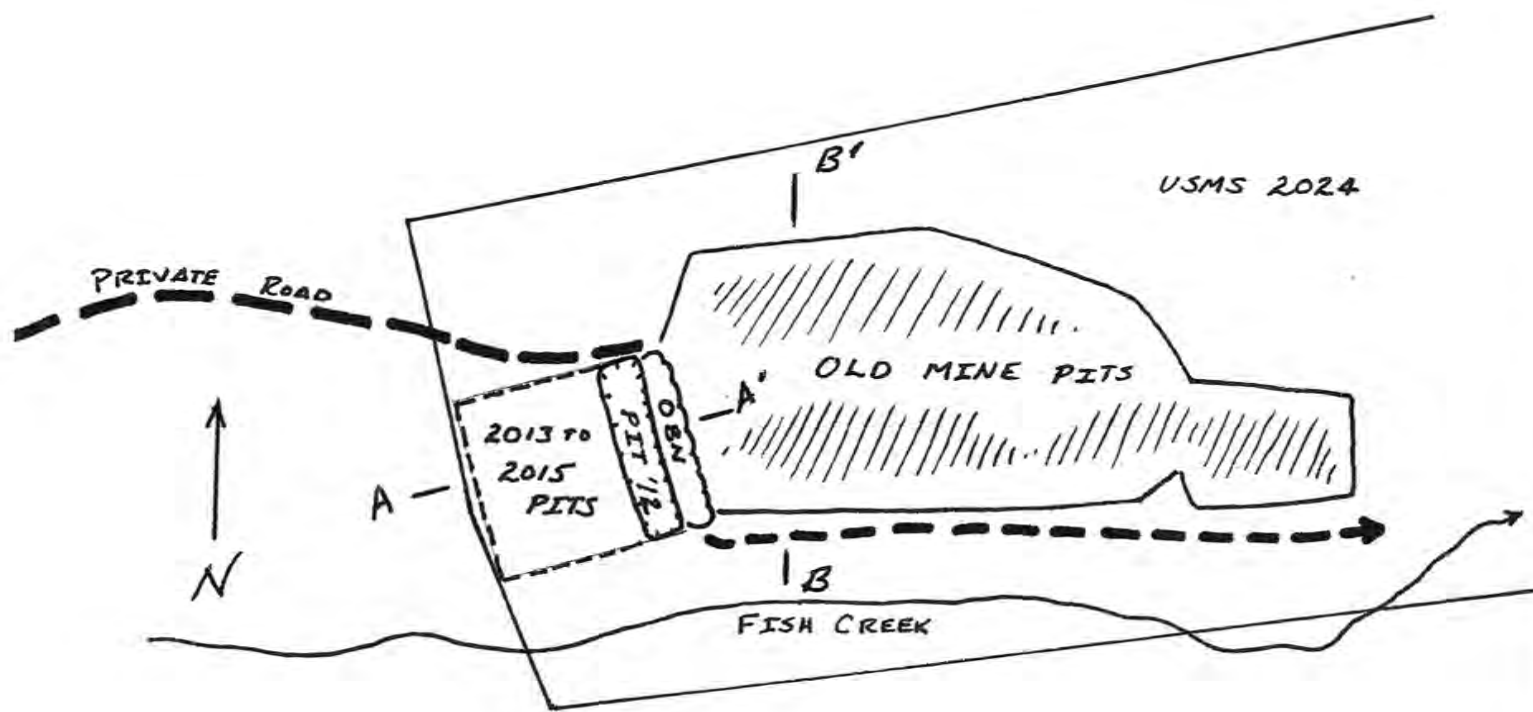
**POA-2011-930**

Livengood (A-1) -N65.0429°, W147.0838°

27 April 2012

Proposed Mine Pit expansion 2013 to 2015.....

Not to Scale



Proposed Mine Pit Expansion  
Airport Equipment Rental  
POA-2011-930, Fish Creek  
APMA 2244  
27 April 2012      Sheet 6 of 10

**Airport Equipment Rental**

**APMA F-122244**

**Fish Creek Placer Gold Mine**

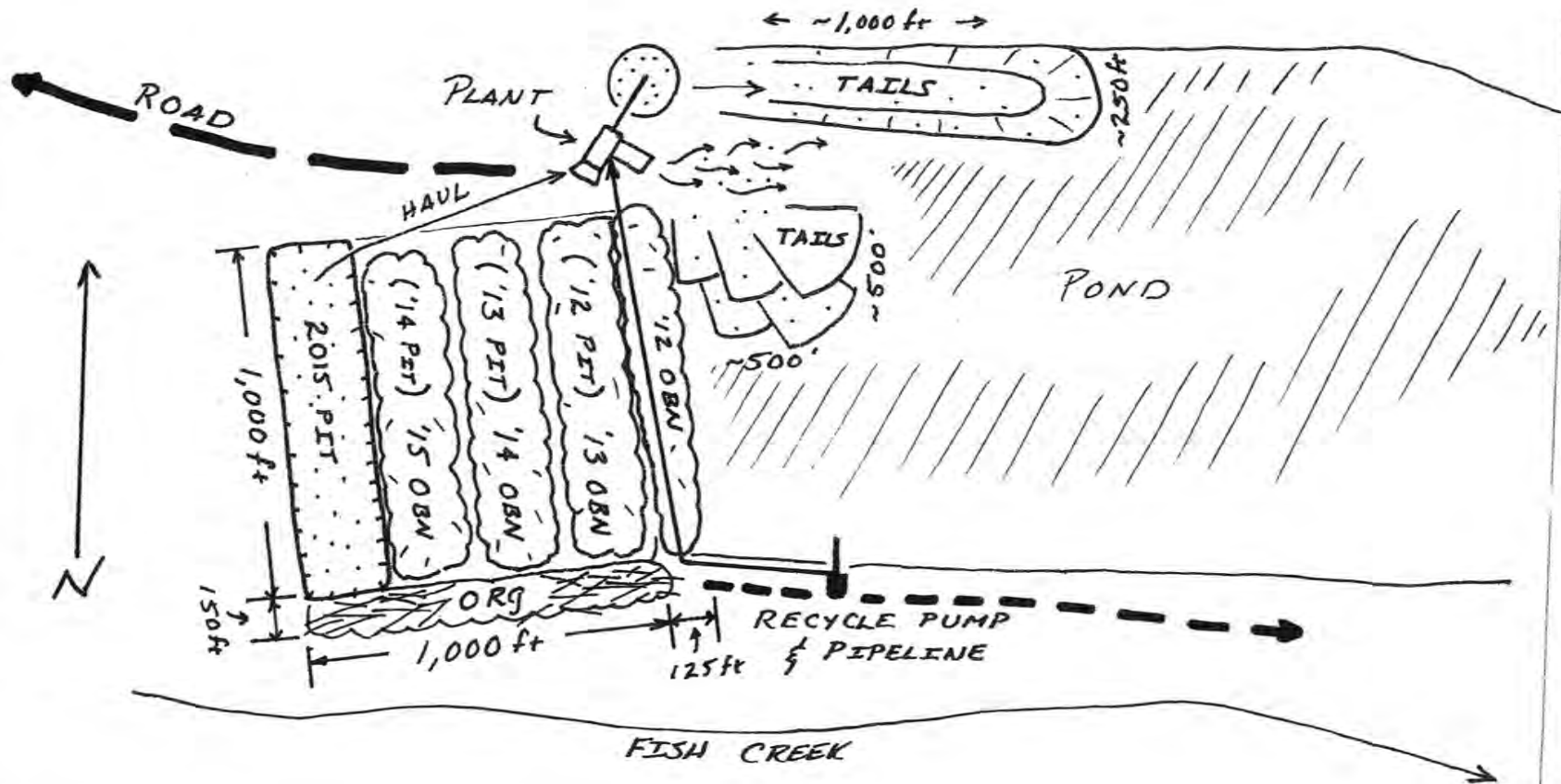
**POA-2011-930**

Livengood (A-1) – N65.0429°, W147.0838°

27 April 2012

Mine Plan 2012 to 2015.....

Not to Scale



**Airport Equipment Rental**

**APMA F-122244**

**Fish Creek Placer Gold Mine**

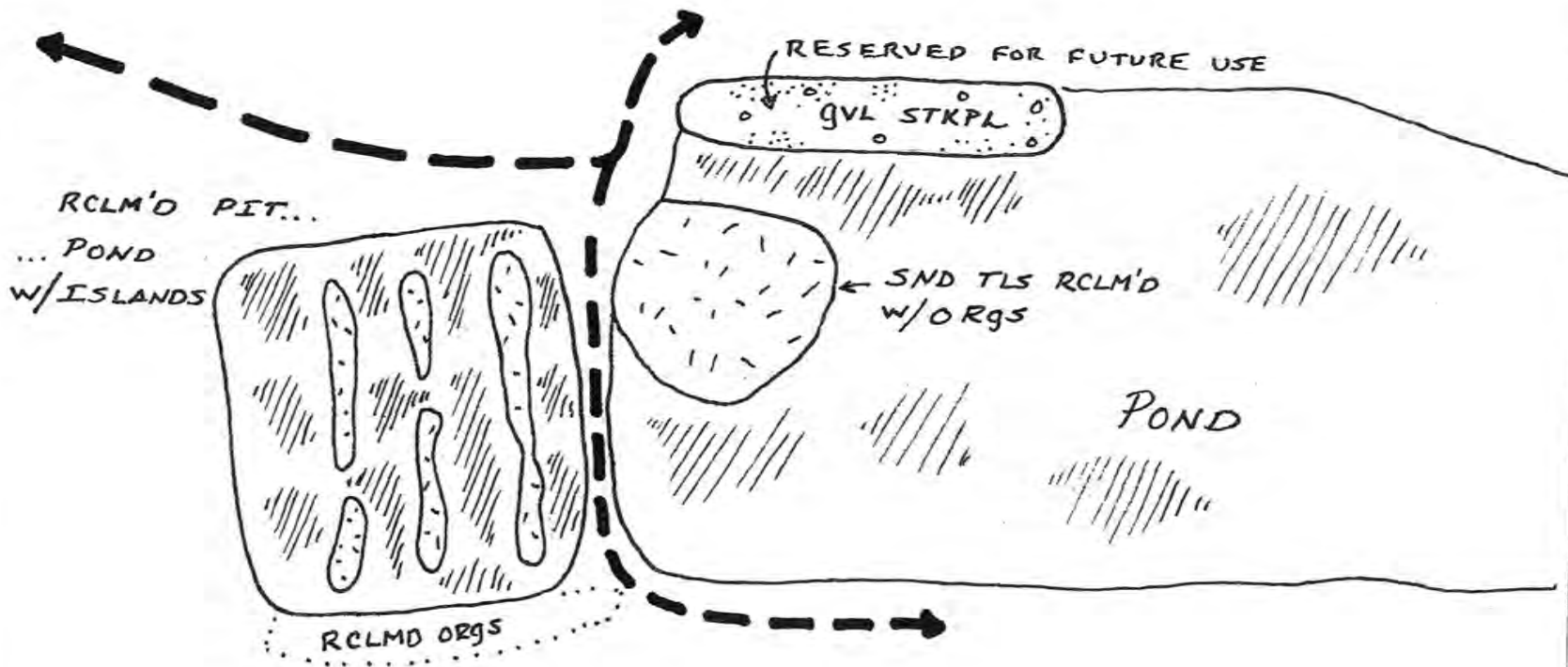
**POA-2011-930**

Livengood (A-1) -N65.0429°, W147.0838°

27 April 2012

Mine Plan 2012 to 2015..... 26.4 acres of Wetlands reclaimed

Not to Scale



**Airport Equipment Rental**

**APMA F-122244**

**Fish Creek Placer Gold Mine**

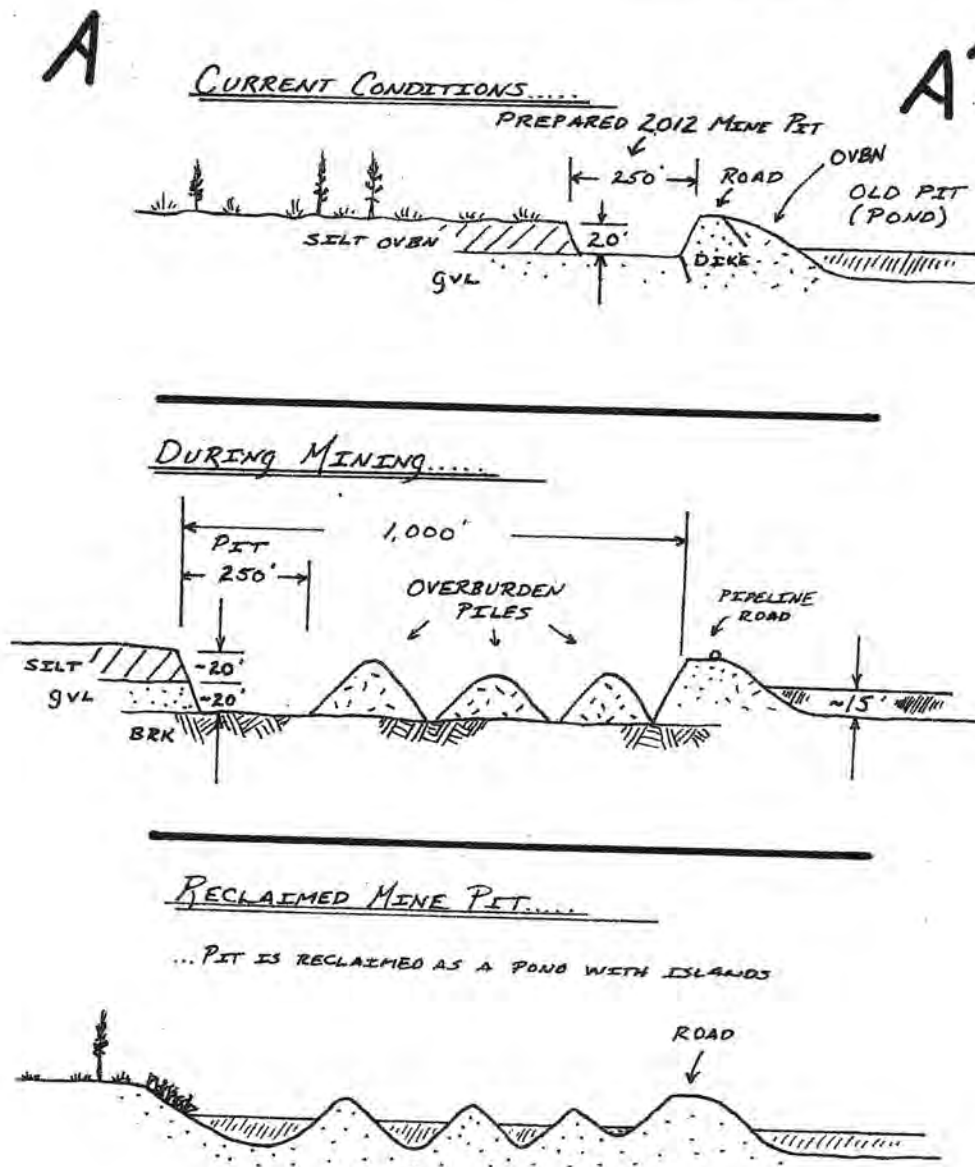
**POA-2011-930**

Livengood (A-1) - N65.0429°, W147.0838°

27 April 2012

**Cross-Section through Mine Pit.....**

Not to Scale



Mine Pit Cross Section  
Airport Equipment Rental  
POA-2011-930, Fish Creek  
APMA 2244

**Airport Equipment Rental**

**APMA F-122244**

**Fish Creek Placer Gold Mine**

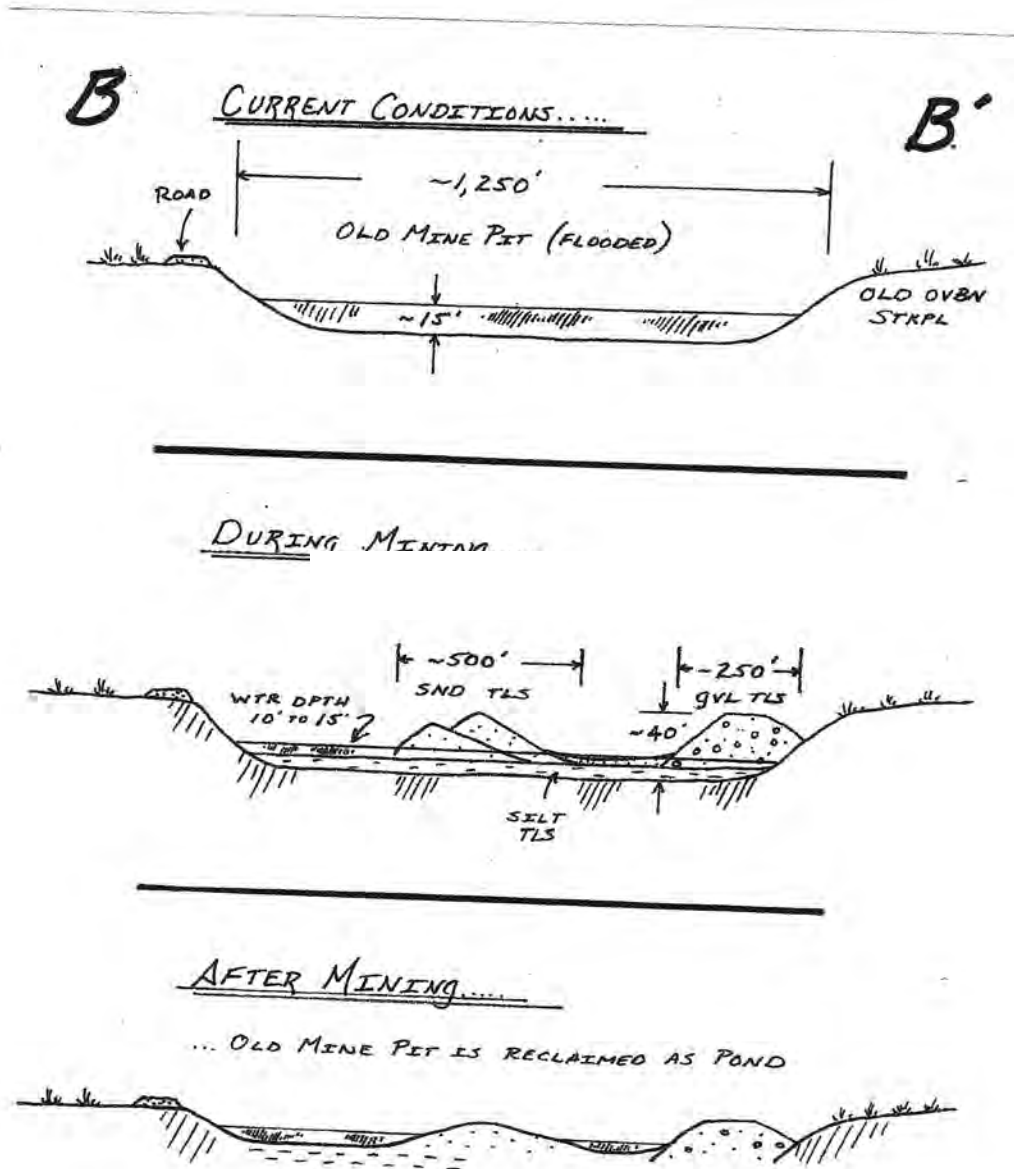
**POA-2011-930**

Livengood (A-1) – N65.0429°, W147.0838°

27 April 2012

**Cross-Section through Mine Pond.....**

Not to Scale



Mine Pond Cross-Section  
Airport Equipment Rental  
POA-2011-930, Fish Creek  
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