

State of Alaska

Bill Walker, Governor

Office of Management and Budget

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MEMORANDUM

Date: October 15, 2015

To: John Springsteen, Executive Director,
Alaska Industrial Development and Export Authority

From: Pat Pitney, Director, Office of Management and Budget



Subject: Ambler Mining District Industrial Access Road

On December 26, 2014, the Governor issued Administrative Order 271. With regards to the Ambler Mining District Industrial Access Road (project), the Governor directed departments involved with the project to cease all discretionary spending, and not to incur new or additional expenses or obligations or enter into or amend existing contracts. The administrative order also directed the Departments not to spend unobligated or unencumbered funds, and to submit a status report of the project to the Office of Management and Budget.

Based upon our project review, we concur that non-discretionary expenditures includes funds needed in order to initiate the Environmental Impact Statement (EIS) specifically to undertake the scoping portion of the EIS process. The scoping portion is deemed necessary for the state to preserve the value of the studies that have been completed to date, and to determine the most appropriate access route for the project.

Therefore, AIDEA, as the project leader, is hereby directed to initiate the EIS process within existing appropriations for this project, and expend up to \$3.6 million for the purpose of filing an EIS application and undertake the scoping portion of the EIS process. Existing appropriations are estimated at \$8.1 million. We understand that an additional appropriation of approximately \$4.2 million to \$6.8 million would be needed to complete the EIS, should a decision to complete the process be made.

Once the EIS application is filed, work will include: conducting public outreach meetings, meet with tribes, local communities, evaluate road routes, and examine the merits of all transportation modalities, including rail. Once completed, the EIS will provide options for accessing the Ambler Mining District, along with the potential impacts of the options and associated mitigations.

Let me know if you have any questions. Thank you for your efforts with regard to this project.

Cc: Jim Whitaker, Chief of Staff, Office of Governor Walker
Mark Davis, Chief Infrastructure Development Officer, AIDEA
Mark Luiken, Commissioner, Department of Transportation and Public Facilities
Mark Myers, Commissioner, Department of Natural Resources
Brian Fechter, Budget Analyst, Office of Management and Budget