Is your business growing out of its present space? And you're thinking about adding on or building a new structure?

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Wetlands hurdle may sink Kenai boat ramp

The regulatory reach of the wetlands permit program—fueled by an undefined goal of "no net loss"—is already being felt in Kenai where city officials have proposed building a boat ramp on the lower Kenai River to draw more tourists to their community.

The Army Corps of Engineers has asked Kenai to withdraw its application for a permit to build the boat ramp on private land just upriver from Cunningham Park. The Corps is reportedly under pressure from several other federal agencies which have come out against the permit.

Meanwhile, the Kenai City Council has refused to withdraw the application, instructing the city to pursue the permit for the tourism project.

(Continued page 6)
RDC to host congressional staff, discuss Alaska issues

Every year RDC has at least one community outreach trip for its board members, and this August, RDC’s board members, spouses and staff will travel to Kodiak. Leading the delegation will be RDC President Bill Schneider. The trip will tour the community and meet with locals to hear concerns, their lives, we will attend a performance of “Cry of the Wild

region, a trip to the North Slope and a “road-trip” in the Municipality of Anchorage and the Matanuska-Susitna Bor-

ough region. Given more time, RDC would like to show them Southeast, the Aleutians and Interior Alaska wetlands as well, but time does not permit the distances to be covered. RDC staff and board members, as well as local community

folks, will be the “tour guides,” so rest assured the visitors will have a good orientation.

Next, RDC will be testifying at the National Energy Security hearings conducted by Deputy Energy Secretary Henson Moore in Fairbanks at the end of August.

Our ability to maintain a high quality of life in Alaska, replete with life-styles choices which include a decent job for those who want one, hinges on our ability to commu-

ciate to the rest of the country that we love Alaska as much as they do and care about its future even more.*

Back on the wetlands education front and at the request of RDC, the Alaska Congressional delegation and others, the Domestic Policy Council (DPC) will be in Alaska Sep-

tember 7 to hold hearings on wetlands. RDC and the Alaska Wetlands Coalition will give testimony. The two organiza-

tions are accepted, the House Public Works and Transportation, Merchant Marine and Fisheries, and Interior and Insular Affairs committees of jurisdiction on Alaska issues to see first-

hand accounts of the problems which include an outlet of the problems, the issues at stake (ranging from the Advanced Identification Process to the question of jurisdictional wetlands) and suggestions and solutions for sound wetland policy which works for, not against, Alaska.

The end of summer promises to be a busy month for RDC educational outreach efforts in the state and on the federal level. Educating others about critical land, water and habitat issues in Alaska grows increasingly important as the decade of the environment defines the policy decisions which will affect our future.

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RDC addresses subsistence

The federal takeover of fish and game management on federal lands in Alaska is an unacceptable usurpation of a right that Alaska has enjoyed since statehood, and opens the door to a number of scenarios that could not only result in subsistence use of the resources, but also could result in control over fish and wildlife manage-

ment on federal lands. In particular, a measure aimed at keeping subsistence hunting and fishing under state control failed to win a two-thirds majority vote in the House of Representatives. RDC had several meetings on the issue, with thorough presentations from the Alaska Federation of Natives, the National Rifle Association and the Alaska Outdoor Council. After lengthy review, RDC’s Executive Committee unanimously passed a policy statement endorsing the position of keeping subsistence hunting and fishing under state control. If a constitutional amendment is required, then RDC supports that action.

RDC’s primary interest is ensuring that Alaska has a thriving resource-

based economy — a goal that will be even harder to attain once the subsis-

tence issue is kicked back to the Interior Department and the U.S. Congress.

Alaska-based environmental groups and their national colleagues have embarked on campaigns to ad-

dress the subsistence issue, with pri-

mary goals to designate more federal wilderness in Alaska and limit access on federal lands.

Quartz Hill: RDC urges EPA to reconsider stand

(Continued from page 3)

In comments submitted to the EPA, RDC challenged the reversal and pointed to several inconsistencies in the decision. The most glaring obser-

vation that can be made is that EPA gives no explanation in its denial re-

garding how the same data and factors considered all project impacts. That incorporated a broad review of the environ-

mental and socioeconomic factors, while the recent tentative denial is the result of concerns over marine impacts only.

RDC continues to support the U.S. Forest Service’s Record of Decision and has urged EPA to consider all the impacts as is required, before making a final, binding decision. The original four-year evaluation that resulted in the Final EIS reviewed all the data and considered all project impacts. That report concluded that Wilson Arm/Smeaton Bay was the appropriate area for tailings disposal.

RDC believes that Alaska has enormous untapped energy poten-

tial and urges support for funding to see that exploration and develop-

ment can go forward in the Chukchi Sea in a timely fashion.

Exploration must move forward in Chukchi Sea OCS

The Resource Development Council has urged the U.S. House Interior Appropriations Subcommittee to earmark funding for activities related to the Chukchi Sea OCS lease sales.

In a letter to Representative Sidney Yates, Chairman of the subcommit-

tee, RDC supported Congressman Don Young’s position, and the views of Governor Steve Cowper, who are in favor of the FY 1990 appropriation to the Depart-

ment of the Interior for planning and response studies.

"Alaskans live with oil explora-

tion and development, and are per-

haps more aware of the implications of domestic versus foreign produc-

tion," wrote RDC Executive Director Becky Gay. "Currently, the United States is more dependent on foreign sources of energy than ever, and more domestic oil producers are looking for development on federal sites due to the roadblocks that have been thrown in front of them domes-

tically.""
Kenai tourism project held up by federal wetlands regulatory hassle

The proposed boat ramp site is located in a meadow near some homes a short distance from downtown Kenai. As shown in center photo, the site is located along a bend in the Kenai River. The existing boat facility at the mouth of the river, pictured at far right, is frequently congested. Few tourists choose to use it due to problems of congestion with commercial fishing vessels and limited abilities to launch at low tides. (Photo by Jack La Shot)

Kenai regulatory hassle is just one example of how difficult it has become to obtain a permit for any development on Alaska wetlands. For months now, the Resource Development Council and the Alaska Wetlands Coalition have warned that the emerging federal wetlands policy will stifle resources and community economic development projects across the state. The fact that the wetlands may be private land owned by a taxpaying individual is immaterial. Since 79 percent of Alaska's non-mountains land falls under the broad and overreaching definitions of wetlands, the state and its local communities have a great deal to lose from ill-defined wetlands goal that expands the power of regulatory agencies.

Earlier this summer, the Environmental Protection Agency, the U.S. Fish and Wildlife Service and the National Marine Fisheries Service advised the Corps to deny the Kenai permit on environmental grounds.

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The proposed boat ramp site is located in a meadow near some homes a short distance from downtown Kenai. As shown in center photo, the site is located along a bend in the Kenai River. The existing boat facility at the mouth of the river, pictured at far right, is frequently congested. Few tourists choose to use it due to problems of congestion with commercial fishing vessels and limited abilities to launch at low tides. (Photo by Jack La Shot)

Williams also defended the need for the project, pointing out that a lack of developed access is one of the state's environmental priorities. Even before the project began, he said, the Kenai had not developed access. He said it is wrong for the federal agencies to assume the public need is being met just because launch sites exist elsewhere on the river.

Mayor Williams pointed to frequent visitor complaints about the lack of a convenient public place to launch boats, one that is close to downtown, yet upstream of the river mouth where sport fishing is best. He said access is needed in the area of the proposed project, as evidenced by growing problems at nearby Cunningham Park and dangerous congestion at the existing Kenai Boating Facility at the mouth of the river.

The existing facility is available to upriver sport fishermen, however, few choose to use it due to the several miles of travel upriver and the problems of congestion with commercial fishing vessels and limited ability to launch at low tides. The combination of commercial vessels and small boats used by dip netters and other sport fishermen has caused tremendous congestion, user conflicts and serious safety problems.

Rather than expand the existing facility, the city believes it makes more sense to develop another facility upstream that would be used all summer by upriver fishermen. The new ramp could draw additional tourists to Kenai, yet relieve pressure at the existing facility and at Cunningham Park.

Williams said the city doesn't have many options, limited by a lack of adequate ramp sites on the lower river. One possible alternative would be to expand Cunningham Park and install a ramp site there. But that could cost the city at least $1 million. The proposed site carries a price tag of approximately $380,000, including land acquisition.

Williams noted that the new site would not only include boat launching and vehicle parking, but restrooms and garbage facilities. The present lack of such facilities along the lower river is causing people to go ashore at any convenient place, leaving human waste and other garbage.

City Engineer La Shot said this should be a consideration in weighing damage to wetlands associated with construction of the project versus damage to wetlands, other uplands, and the marine environment by people needing facilities.

La Shot said objections to the project "leads one to believe that the EPA would not support any development in the Kenai River flats, regardless of the need or actual benefits derived from such development."

The headline to my July column appeared in a recent Washington Post advertisement. Listed were the salaries of some of the nation's most exalted environmental leaders.

The Environmental Protection Agency's recent reversal of a crucial discharge permit for the Quartz Hill Molybdenum mine has drawn a sharp reply from the Resource Development Council.

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Red Dog is to zinc what Prudhoe Bay is to oil

(Continued from cover)

Dog is to zinc what Prudhoe Bay was to oil. It has put Alaska on the map, marking the state's entry into the world of large-scale, open-pit, hard-rock mining.

Red Dog reserves are estimated at 85 million tons of ore made up of 17.1 percent zinc, 5 percent lead, and 2.4 ounces of silver per ton. Cominco expects to recover 560,000 tons of zinc and 120,000 tons of lead over the 50-year life of the mine.

The $450 million project may be the most profitable mine for Cominco because the Red Dog ore is so rich in zinc. The movement of concentrates from the mine site to port facilities on the Chukchi Sea is accommodated by specially designed 75-ton trucks which travel a 52-mile road, the cornerstone of the $150 million Mountain Regional Transportation System. Giant piles of minerals are stored in a warehouse 12 stories high and 450 yards long until a three-month, ice-free shipping season.

Financed by the Alaska Industrial Development and Export Authority (AIDEA), the transportation system includes the road from the mine site to the port site and all associated port facilities, such as the concentrate storage facilities, conveyors and fuel storage tanks. Cominco will pay the state $12 million a year for use of the road and provide AIDEA a 6.5 percent return on its investment.

During the 100-day shipping season, concentrates will be barged from the shallow-water port to ships waiting several miles offshore. An estimated 15 ships ranging in size from 25,000 to 70,000 tons will call at the port each season.

The minerals will be shipped to smelting plants in Canada, Europe and Japan.

The Cominco-NANA Operating Agreement

Unique agreement may be international model for resource development

In 1982, Cominco and NANA reached an agreement leading to the development of the Red Dog mine. As provided by the agreement, Cominco leases the property from NANA, operates the mine and markets the minerals. NANA received $1.5 million upon signing the agreement. Every year thereafter (until the mine went into production this year) NANA received an additional $1 million. With production now underway, NANA will receive 4.5 percent of the net smelter return. Once Cominco recovers its capital investment, NANA will share in the net proceeds, beginning with 25 percent and increasing by 5 percent every five years until NANA and Cominco share equally in the profits. Another provision of the agreement requires that first preference on all Red Dog jobs be given to qualified Natives in the NANA region.

Red Dog is to zinc what Prudhoe Bay is to oil. (Cominco photo by Myron Wright)