

Alaska District

Public Notice of Application for Permit

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

PUBLIC NOTICE DATE:

JULY 17, 2009

EXPIRATION DATE:

AUGUST 3, 2009

REFERENCE NUMBER:

POA-1990-592-M6

WATERWAY:

LYNN CANAL

Interested parties are hereby notified that a Department of the Army (DA) permit modification request 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 proposal, 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 Mr. Richard Jackson at (907) 753-5646, toll free from within Alaska at (800) 478-2712, by fax at (907) 753-5567, or by email at Richard.G.Jackson@usace.army.mil if further information is desired concerning this notice.

<u>APPLICANT</u>: Coeur Alaska, Incorporated, 3031 Clinton Drive, Suite 202, Juneau, Alaska 99801-7106

LOCATION: The project site is located within Section 1, T. 36 S., R. 62 E., and Sections 4, 5, 6, 10, 14, 15, 23, 24, 25, and 36, T 35 S. R. 62 E., Copper River Meridian; USGS Quadrangle Map Juneau D-4; Latitude 58.7822° N., Longitude 135.0100° W.; 45 miles north of Juneau, Alaska.

PURPOSE: The applicant's stated purpose is to extend the time limit of DA permit modification POA-1990-592-M. In addition, this modification would correct minor discrepancies to the previously authorized permit and plans, resulting in an overall reduction in jurisdictional impacts. For a detailed description see the enclosed Attachment 1, 2 pages, dated April 10, 2009.

COMPLETED AND PROPOSED WORK: This permit modification would extend the time limit for completion of the authorized work to July 31, 2014. In addition, this permit modification references information and drawings contained in permit modification POA-1990-592-M, issued on June 17, 2005, which can be viewed at http://www.poa.usace.army.mil/reg/PNNew.htm.

The following table represents the proposed modifications and/or clarifications to the plans authorized in DA permit modification POA-1990-592-M:

Current Permit	Original Date	Proposed Modification	Modified Date
(POA-1992-592-M)		(POA-1992-592-M6)	
Tables 1 and 2	Undated	Table 1, 2 sheets	June 8, 2009
Sheet 1	April 2005	Sheet 1	June 8, 2009
Sheets 2-4, 8, 12	April 2005	DELETED	DELETED
Sheet 5	April 2005	Sheet 2	June 8, 2009
Sheet 5E	April 2005	Sheet 3	June 8, 2009
Sheet 5D	April 2005	Sheet 4	June 8, 2009
Sheet 5C	April 2005	Sheets 5 and 6A	June 8, 2009
Sheet 5B	April 2005	Sheet 7A	June 8, 2009
Sheet 5A*	April 2005	Sheet 10	June 8, 2009
NEW SHEETS	NEW SHEETS	8, 9A, 11, and 12	June 8, 2009

Note: Sheets 4 and 11, dated June 8, 2009, depict some of the same areas as depicted in Sheets 13 and 14, dated April 2005. *In addition, Sheet 5A, dated April 2005, was retained for purposes of depicting the activities authorized under Section 10 of the Rivers and Harbors Act, while Sheet 10, dated June 8, 2009, clarifies the activities authorized under Section 404 of the Clean Water Act in the same area. Sheets 6, 7, 8A, 8B, 9, 10**, 11, 13, and 14, of DA permit modification POA-1990-592-M, dated April 2005, remain unchanged. (**Sheet 10 was modified May 2009 to remove a U.S. waters correlation that did not match corrected wetland delineation data, however, the overall drawing remained the same.)

As further explained in Attachment 1, these plan changes reflect: wetland mapping updates and corrections; minor variations from construction activities authorized under the initial permit; subsequent modifications; and other on site construction requirements. Specifically, the changes include the following:

- 1. Accounting for a topsoil stockpile within a wetland along the Jualin Access Road created as a part of the 2005 construction activities (Table 1, Area 31);
- 2. Proposed placement of an avalanche protection structure and access road (Table 1, Area 8(A)); and,
- 3. Proposed placement of a topsoil stockpile in the tailings area (Table 1, Area 36).

ADDITIONAL INFORMATION: A total of 83.4 acres of fill was authorized under DA permit modification POA-1990-592-M, and as of December 2008, 45.2 acres of waters of the U.S. had been filled. The overall impact to waters of the U.S. as a result of this modification would be a net reduction of 3.1 acres of similar palustrine habitat as previously authorized. See Table 1 (2 sheets), which summarizes the overall changes in project impact.

MITIGATION: Mitigation measures were evaluated and required as an integral part of DA permit modification POA-1990-592-M. Since the changes proposed in this modification request would result in an overall reduction of impacts to waters of the U.S., no additional mitigation measures were proposed.

WATER QUALITY CERTIFICATION: The Alaska Department of Environmental Conservation issued a water quality certification on May 6, 2005, and is in effect until May 5, 2010.

COASTAL ZONE MANAGEMENT ACT CERTIFICATION: Applicant supplied information contained in this proposed permit modification was reviewed by the Division of Coastal and Ocean Management, Department of Natural Resources, who found

that the project was consistent with the Alaska Coastal Management Program (State I.D. No. 2009-0617J) per their July 6, 2009, correspondence.

<u>CULTURAL RESOURCES</u>: Potential impacts to cultural resources were evaluated during the issuance of DA permit modification POA-1990-592-M. This proposal is within the scope of the original evaluation and no additional changes to any cultural resources are anticipated. This public notice is being coordinated with the State Historic Preservation Office.

ENDANGERED SPECIES: Potential impacts to endangered species were evaluated during the issuance of DA permit modification POA-1990-592-M. This proposal is within the scope of the original evaluation and no changes in endangered species impacts are anticipated. This public notice is being coordinated with the U.S. Fish and Wildlife Service (USFWS) and the National Marine Fisheries Service (NMFS).

ESSENTIAL FISH HABITAT: Potential impacts to essential fish habitat (EFH) were evaluated during the issuance of DA permit modification POA-1990-592-M. This proposal is within the scope of that permit evaluation and no change in EFH impacts are anticipated. This public notice is being coordinated with NMFS.

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.

<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.

EVALUATION: 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 modify the permit as described above.

This evaluation will be based on the factors below and will rely on the revised record of decision dated March 29, 2006 for DA permit modification POA-1990-592-M to the greatest extent possible.

The decision whether to modify the 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 modification will be denied if the discharge that would be authorized by such permit modification would not comply with the Environmental Protection Agency's 404(b)(l) guidelines. Subject to the preceding sentence and any other applicable guidelines or criteria (see Sections 320.2 and 320.3), a permit modification will be granted unless the District Commander determines that it would be contrary to the public interest.

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

- (X) Perform work in or affecting navigable waters of the United States Section 10 Rivers and Harbors Act 1899 (33 U.S.C. 403).
- (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, an attachment, and a table are enclosed with this Public Notice.

District Commander
U.S. Army, Corps of Engineers

Enclosures

COEUR ALASKA, INCORPORATED POA-1990-592-M6 LYNN CANAL JUNE 8, 2009 TABLE 1, PAGE 1

Acres to be Reclaimed as Wetlands or Waters

NA

NA

NA

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3.5

2.1

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20.4	Difference Between 2005	Permit and	Updated 2008	0	-0.9	-0.3	9.0-	6.0+		0	0	+0.9	+0.3	-1.8	+0.1	+0.2	0	-0.5	-0.4	-3.5	8.0-	-2.4	0	+1.0	-1.2	-0.7
	Fill Volume (Cubic	Yards)		0	0	0	220,000	85,000		10,000	0	97,000	23,000	121,000	1,500	3,000	1,500	37,000	0	0	0	1,500		10,500	11,500	0
res	Requested Acres of Total	Fill in Waters	of the U.S. 2008 update	0	0	0	4.5	3.5		2.1	0	2.0	0.3	2.5	0.1	0.2	0.1	7.7	0	0	0	0.1	0	1.1	1.2	0
oject – Permit Modification POA-1990-592-M6 – Facility Acres	Actual Waters of U.S. Acres	Filled as of	December 2008	0	0	0	1.1	2.6		0	0	2.0	0	2.0	0.1	0.2	0.1	7.7	0	0	0	0.1	0	1.1	1.2	0
tion POA-1990-592	Permitted Acres of Fill in Waters	of the U.S. per	2005 Permit Table 1	0	6.0	0.3	5.1	2.6		2.1	0	1.1		4.3	0	0	0.1	8.2	0.4	3.5	8.0	2.5	0	0.1	2.4	0.7
rmit Modifica	Status 2008	-		Existing / Permitted	Existing / Permitted	Not built	Existing / Permitted	Existing /	Permitted	Existing / Permitted	Existing /	Built	Not built	Mostly Built	Built	Built	Built	Existing / Built	Built	Built	Built	Built	Built	Built	Built	Not built
Table 1 Kensington Gold Project - Per	Description			Kensington Comet Beach Camp	Kensington Access Road	Kensington Borrow Pit #1	Kensington Development Rock Stockpile Expansion	Kensington Water Treatment	Plant & Ponds and Expansion Area	Kensington Snow / Topsoil Stocknile	Kensington 2050 Level Portal	Jualin Process Area	Jualin Avalanche Berms & Road	Jualin Development Rock Storage	Jualin Storm Water Treatment Pond	Jualin Process Area Snow/Topsoil Stockpile	Jualin Pumphouse	Jualin Access Road	Jualin Laydown #1	Jualin Laydown #2	Jualin Laydown #3	Jualin Admin. Area	Jualin Borrow Source #1		Jualin Borrow Source #3	Jualin Borrow Source #4
Table 1	Area			-	2	က	4		S.	9	7	œ	8A	9/9A	10	7	12	13	14	15	16	17	18	19	20	21

NA NA NA

9.0

NA

9.0

NA

NA NA 0.2

6.0 NA COEUR ALASKA, INCORPORATED POA-1990-592-M6 LYNN CANAL JUNE 8, 2009 TABLE 1, PAGE 2

	D	On Wotow	Dogwood	Fill Volumo	Difference	Acres to he
Description Status refinited Acres 2008 of Fill in Waters		Actual waters of U.S. Acres	Acres of Total	(Cubic	Between 2005	Reclaimed
		Filled as of December 2008	Fill in Waters of the U.S.	Yards)	Permit and Updated 2008	as Wetlands or Waters
Table 1	Anna com a common com		2008 update			
LSL Tailings Pipeline & Partially 4.7 Access Road (Upper)	0		4.3	41,500	-0.4	4.3
LSL Tailings Facility Access Mostly 0.3 Road (Lower) built	1.3		1.4	13,500	+1.1	2.8
gs Lake (tailings as Not built 23.5	0		23.5	3,920,000	0	(23.5)
LSL Tailings Lake Margin Partially 8.5 Working Area occupied	10.9		10.9	500	+2.4	8.7 (38.5)
Dam Borrow	0.3		0.3	3,000	0	0
LSL Tailings Pipeline Road Partially 3.0 (Mill to Snowslide Gulch) built	0.2		0.4	3,500	-2.6	2.2
ge	6.1		6.1	236,000	+0.2	2.4
Slate Creek Cove Marine Built 1.9 Terminal	0.5		0.5	12,000	-1.4	3.2
Slate Creek Cove Built 0.2 Snow/Stockpile Area	0	-	0	0	-0.2	0.5
Jualin Topsoil Stockpile Built	8.9		8.9	300,000	+6.8	8.9
Jualin Borrow Source #6 Partially built	0.1		0.1	1,500	+0.1	0
Jualin Borrow Source #7 Built	8.0		0		0	NA
ıl	0		0	0	0	0
LSL Tailings Area Topsoil Not built Stockpile	0		9.0	14,500	+0.6	9.0
83.4	45.2		80.3	5,168,500	-3.1	110.0

Reasons for changes in Acreage of Wetland Impacts Kensington Gold Project – Permit # POA 1990-592-M6

There are two primary reasons and some additional minor reasons why wetland impact acres, on a parcel-by-parcel or facility-by-facility basis, are different than described in the 2005 permit. The primary reasons are: 1) a new wetland delineation on the Kensington side of the project area that showed less area to be wetland, and 2) the discovery of a mapping error on the Jualin side of the project area. The Jualin mapping error apparently resulted from translating a file from GIS to Autocad, resulting in some upland area being shown as wetland and showing upland/wetland mosaic areas as upland. Minor changes resulted from the actual construction conditions on the ground differing from planned leading to small changes from the permitted acres such that less wetland was filled in some areas and more in other areas. Other minor changes resulted from better distinguishing between wetland fill, subject to the 404 permit, and wetland excavation or clearing that are recognized as wetland impacts, but are not treated as fill in the permit. A slight overall net reduction in wetland fill is the end result of changes due to all of these reasons.

On the Kensington side, the permitted modification to the access road and the Kensington Borrow Pit #1 were not needed (0.9 and 0.3 acre of permitted wetland fill respectively). The redelineation of wetlands changed some areas previously recognized as wetland to upland. As a result, the Development Rock Stockpile has filled only 1.1 acres of wetland to date, and will fill only 4.5 acres at full development instead of 5.1 acres. To date, the water treatment plant and ponds have filled the permitted 2.6 acres of wetland, but needed modifications will fill an additional 0.9 acre of wetland. The Kensington Snow/Topsoil stockpile area has been used to store snow, but has not yet been used for topsoil, but will need to be, and the 2.1 acres permitted for this use will be needed. Therefore, instead of the 11 acres permitted for the Kensington facilities, only 10.1 acres need to be carried forward in the permit.

On the Jualin side, there are facility areas where the wetland impact area is smaller because the impact area was erroneously interpreted as wetland, but is actually upland. This includes the Jualin Development Rock Storage Area, Jualin Access Road, Jualin Pit #3, Jualin Laydown Areas #1, 2, and 3, the Jualin Administrative Area, the Tailings Pipeline Road from the mill to Snowslide Gulch, the Slate Creek Cove Marine Terminal, and the Slate Creek Cove Snow/Topsoil Stockpile Area. There are also facility areas where the wetland impact area is larger because the area previously interpreted as upland is actually upland/wetland mosaic with 25 percent of it being wetland. Those areas include the Jualin Process Area, Jualin Storm Water Treatment Pond, Jualin Process Area Snow/Topsoil Stockpile Area, Jualin Pit source #1, the Lower Slate Lake (LSL) Upper Tailings Pipeline and Access Road, the LSL Lower Tailings Facility Access Road, the LSL Tailings Lake Margin Working Area, the LSL Tailings Dam Borrow Source, and the LSL Tailings Dam and Plunge Pool Area. Since the Jualin Pit #3 is located in uplands and the acres of fill permitted for this facility were not used, a nearby (across the road) topsoil storage area was needed that was 6.8 acres in size, all in wetland. Jualin Pit #4 was not needed and none of the 0.7 acre fill was done there. A total of 14.5 acres of wetland impact is in cut (or excavation) areas rather than fill areas.

Two other areas on the Jualin side have no change, but bear some explanation. The Jualin Reclamation Material Area (parcel #34) was originally understood to be in upland and is still

COEUR ALASKA, INCORPORATED POA-1990-592-M6 LYNN CANAL APRIL 10, 2009 ATTACHMENT 1, PAGE 1 understood to be in upland. Therefore, no CWA Section 404 permit acreage changes. At one time there was a Western Interceptor Ditch proposed (parcel #35) that would have affected wetlands. It is not currently in the plans.

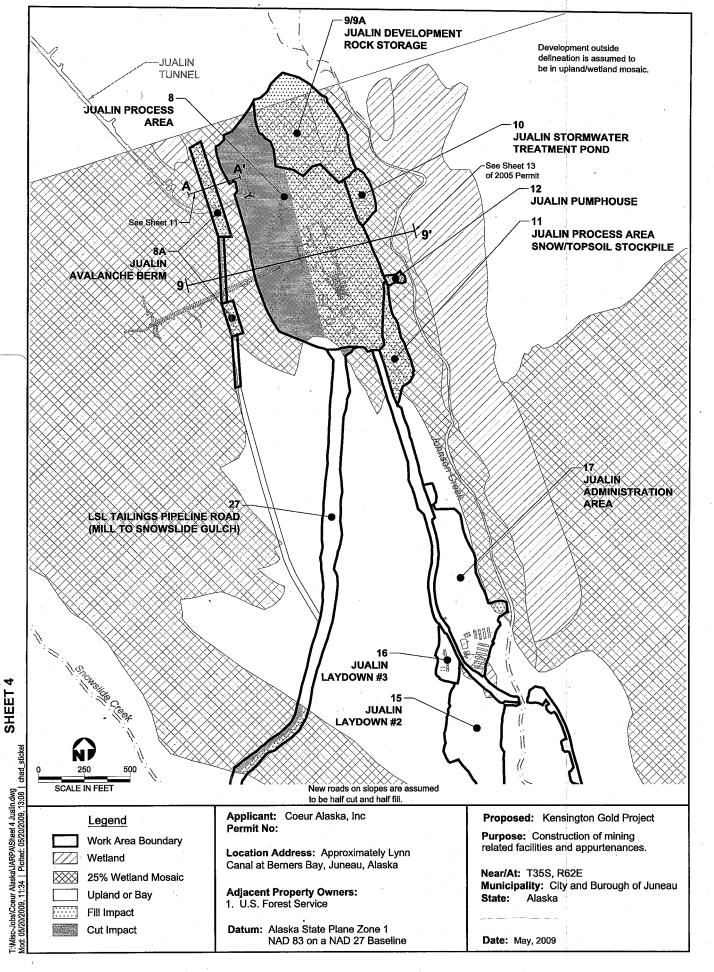
COEUR ALASKA, INCORPORATED POA-1990-592-M6 LYNN CANAL JUNE 8, 2009 ATTACHMENT 1, PAGE 2 33760854_06.cdr

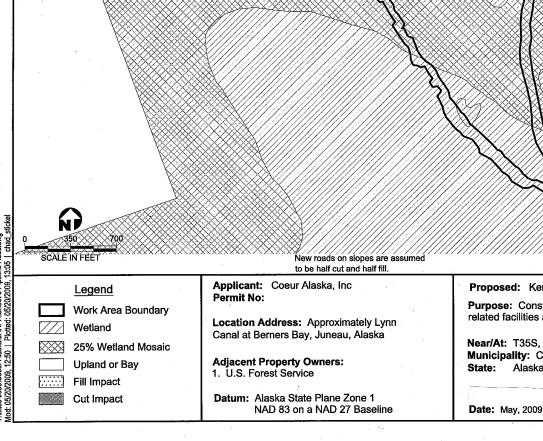
6530000mN

PROJECT SITE Point St. Mary CITY & BOROUGH OF JUNEAU
HAINES BOROUGH Cascade Point Point 505000mE **Site Vicinity** Proposed: Kensington Gold Project Purpose: Construction of mining related facilities and appurtenances Near/At: T35S, R62E Municipality: City and Borough of Juneau State: Alaska **Date:** May 2009

COEUR ALASKA, INCORPORATED POA-1990-592-M6 LYNN CANAL MAY 21, 2009 SHEET 2

COEUR ALASKA, INCORPORATED POA-1990-592-M6





See Sheet 11 JUALIN TOPSOIL STOCKPILE LSI TAILINGS PIPELINE LSL TAILINGS FACILITY ACCESS ROAD (LOWER) AND ACCESS ROAD (UPPER) Proposed: Kensington Gold Project Purpose: Construction of mining related facilities and appurtenances. Near/At: T35S, R62E Municipality: City and Burough of Juneau Alaska

ENTIRE AREA IS WATERS OF THE U.S.

SHEET No.

6

JUALIN

INCOMING FREIGHT CONTAINERS

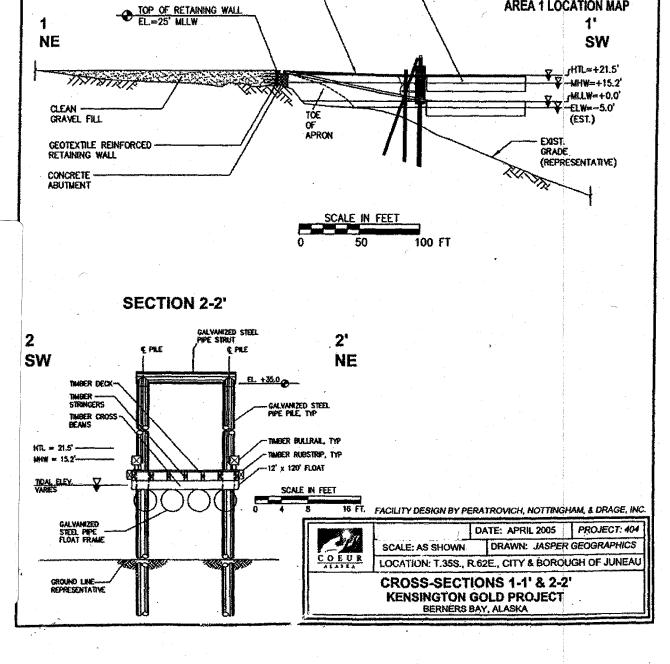
LAYDOWN AREA #1 (EXISTING)

SECTION No.

2-2-

3-31-

VOLUN ALABAN, INCURPURATED POA-1990-592-M6



ENTIRE AREA IS IN THE WATERS OF

THE U.S.

100 FEET

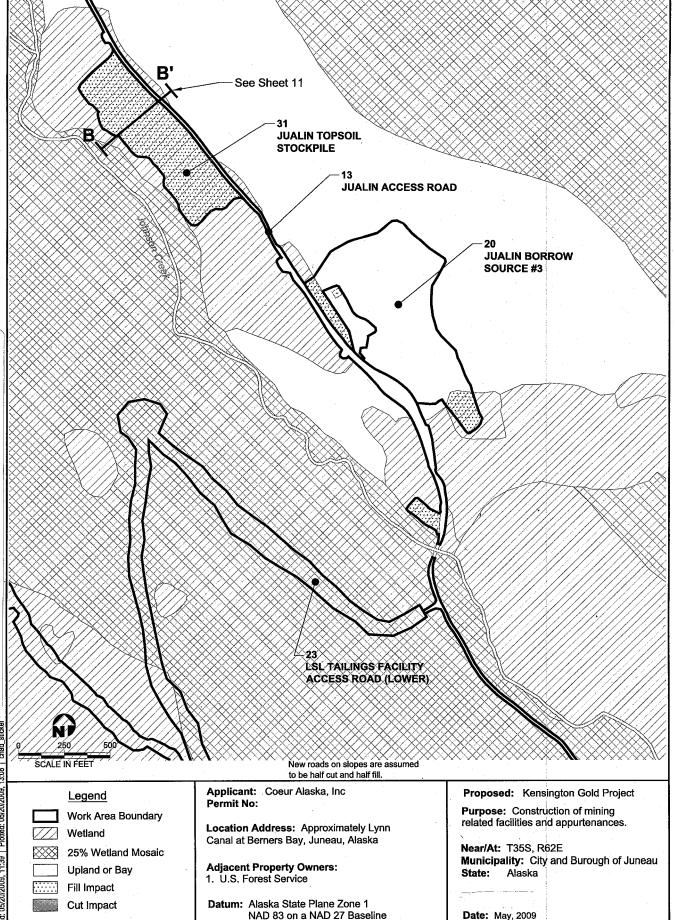
AREA 1 LOCATION MAP

LYNN CANAL APRIL 2005 SHEET 6

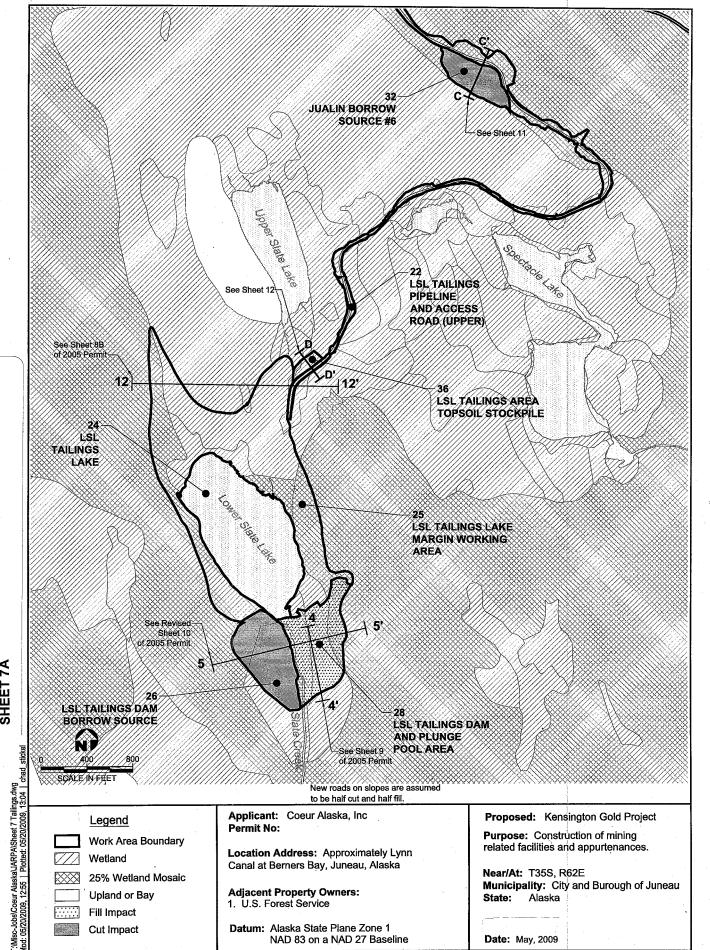
SECTION 1-1'

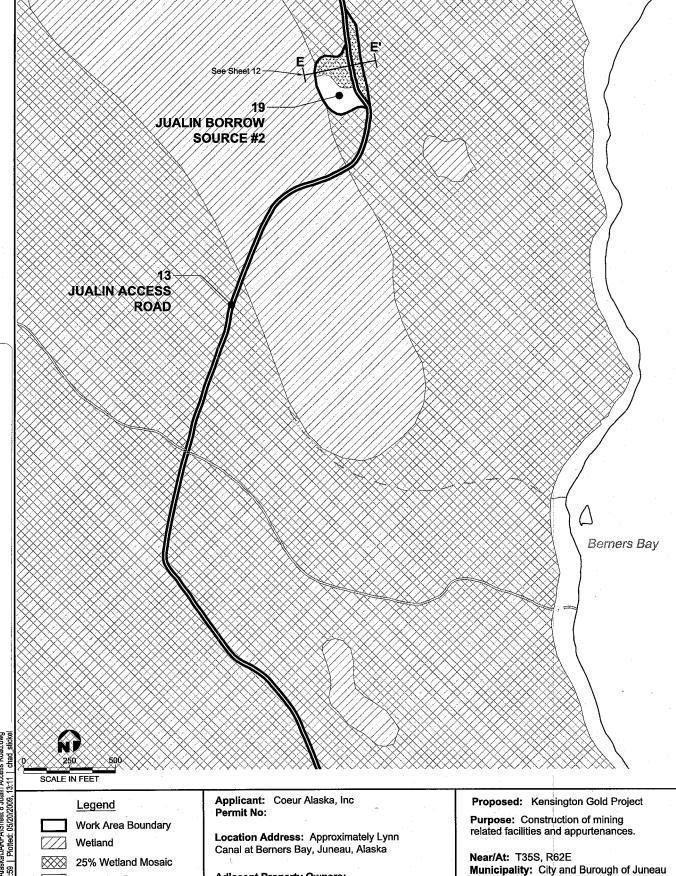
80' X 300' BARGE

18' X 120' -TRANSFER BRIDGE



Date: May, 2009





Adjacent Property Owners:

Datum: Alaska State Plane Zone 1

NAD 83 on a NAD 27 Baseline

1. U.S. Forest Service

State: Alaska

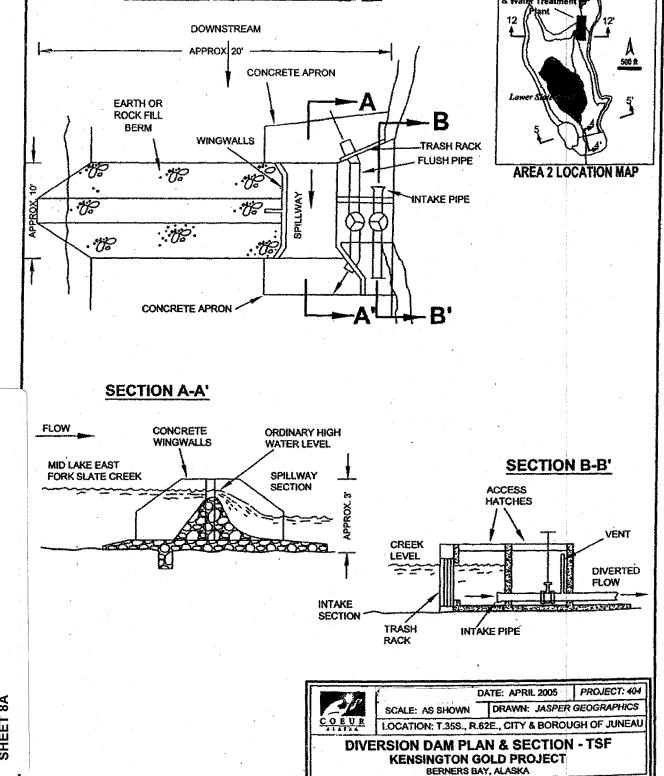
Date: May, 2009

T::Misc-Jobs\Coeur Alaska\JARPA\Sheet 8 Jualin Access Road.dwg Mort-05/20/2009 11-59 | Pintted: 05/20/2009 13:11 | chad sticke

Upland or Bay

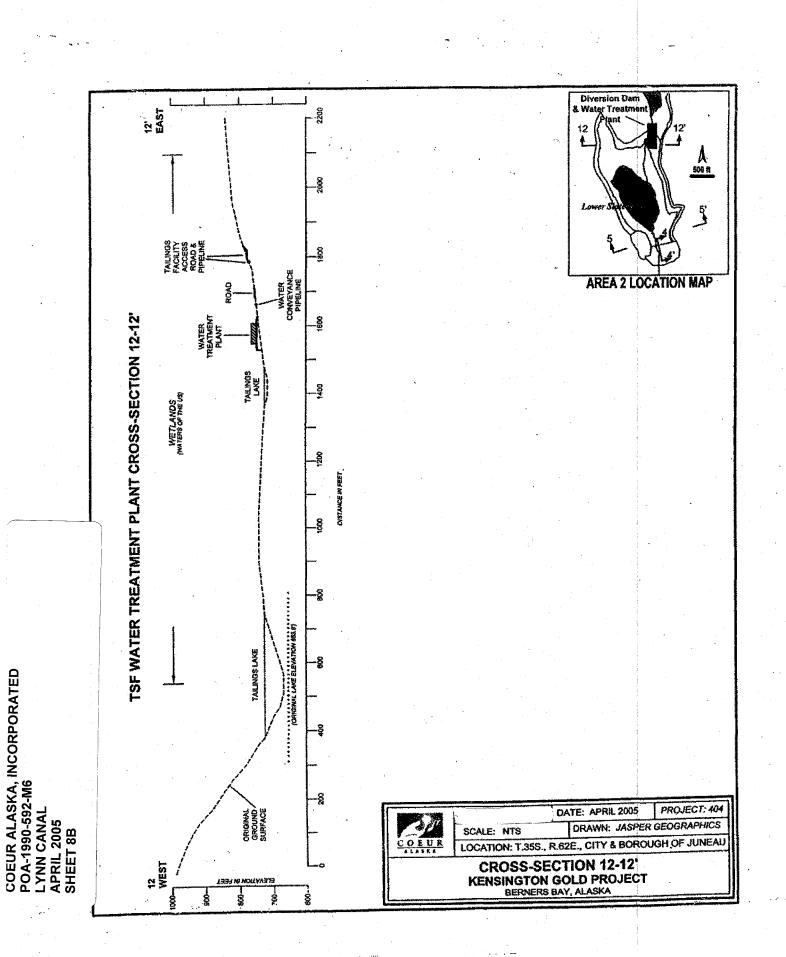
Fill Impact

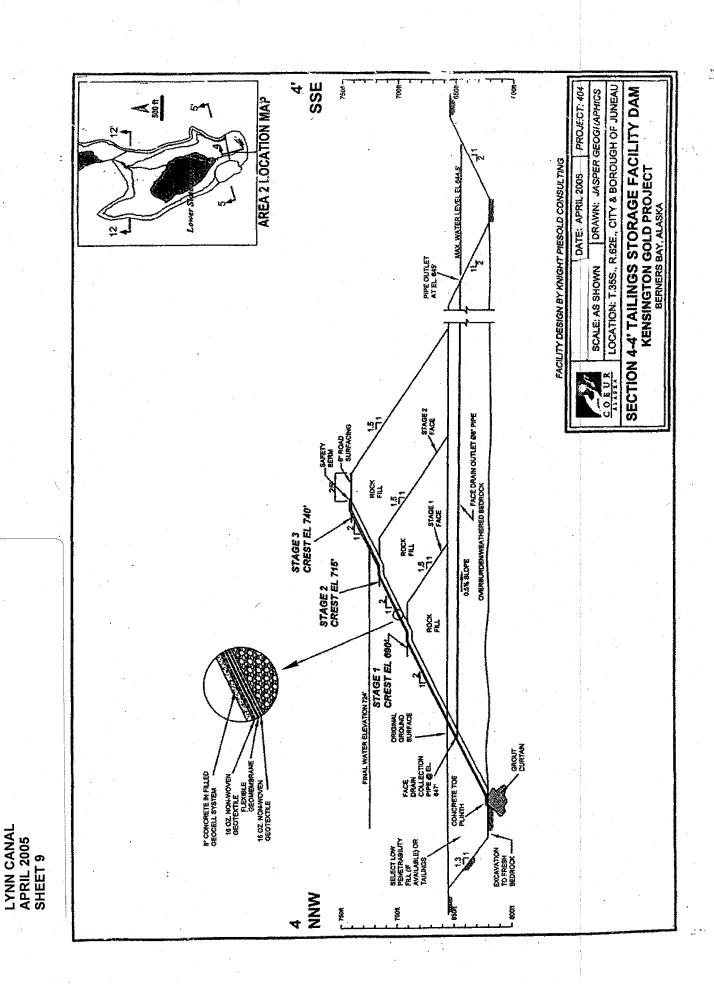
Cut Impact



Diversion Dam

EARTH OR ROCKFILL DAM (PLAN)





COEUR ALASKA, INCORPORATED POA-1990-592-M6

Work Area Boundary Wetland

25% Wetland Mosaic

Upland or Bay Fill Impact

Cut Impact

Location Address: Approximately Lynn Canal at Berners Bay, Juneau, Alaska

Adjacent Property Owners:
1. U.S. Forest Service

Datum: Alaska State Plane Zone 1 NAD 83 on a NAD 27 Baseline

related facilities and appurtenances.

Near/At: T35S, R62E

Municipality: City and Burough of Juneau

Alaska State:

Date: May, 2009

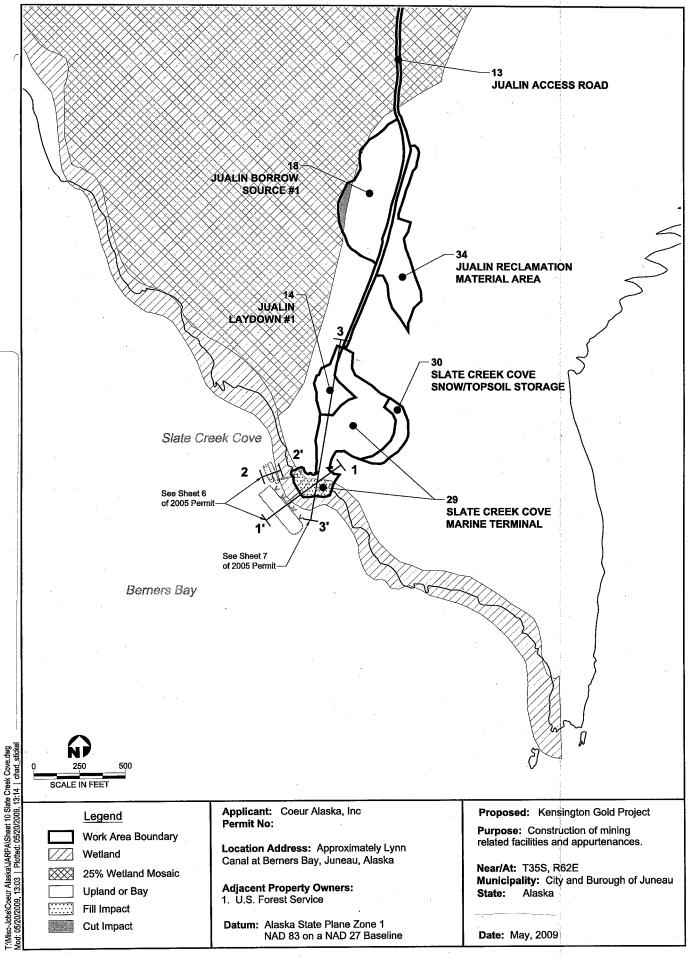
8 LOCATION: T.35S., R.62E., CITY & BOROUGH OF JUNEAU SECTION 5-5' TAILINGS STORAGE FACILITY DAM KENSINGTON GOLD PROJECT S 8 DRAWN: JASPER GEOGRAPHICS 빙 AREA 2 LOCATION MAP SHEET 10 OF 14 DATE: APRIL 2005 -8 SCALE: AS SHOWN ACCESS ROAD TAILINGS STORAGE FACILITY DAM top of tals at closume to Final Closure water elev. 737 -8 DISTANCE, Feet ORIGINAL LAKE ELEV. 65 STAGE 1 DAM CHEST OFF - OPERATING & RECLAIMED SURFACE - NATURAL GROUND SURFACE BONNOW BOUNCE EXCAVATION -క్ట LEGEND: SW SW ş <u>§</u> ģ. ĝ ELEVATION, Feet

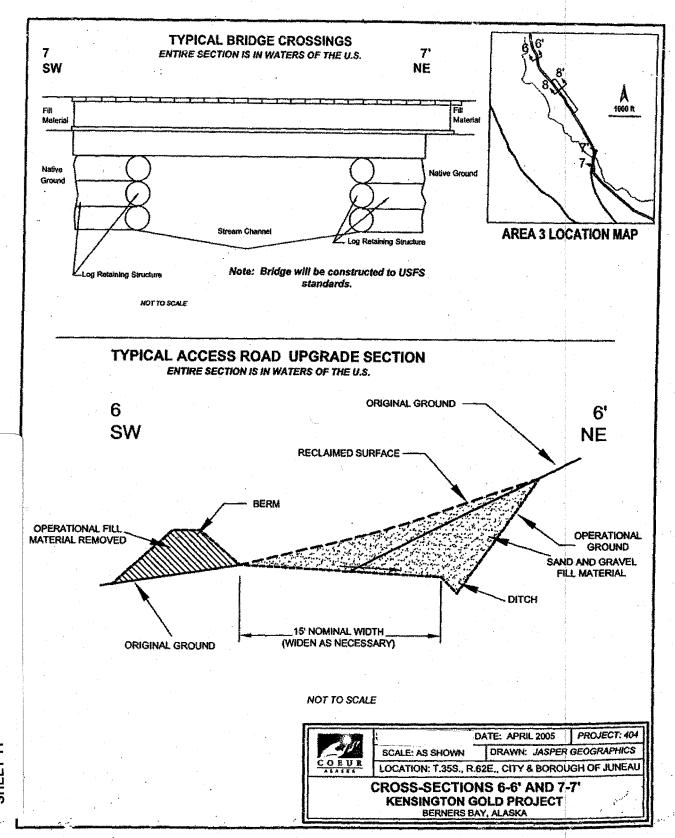
* MODIFIED MAY 2009

COEUR ALASKA, INCORPORATED POA-1990-592-M6

LYNN CANAL APRIL 2005 SHEET 10 *







COEUR ALASKA, INCORPORATED POA-1990-592-M6

