



November 15, 2007

JNU Permitting Status Report

The 2007 Permit Application package was submitted on July 20, 2007. It contained all required permit applications for the following airport expansion projects:

- Runway Safety Area (RSA)
- Snow Removal Equipment Facility (SREF)
- Northeast Development Project
- Northwest Development Project
- Fuel Farm Access Road
- West End Wetlands Regrading
- Float Plane Pond Dredging
- Rock Dam Removal
- ASOS Relocation

The MALSR projects (at each end of the runway) were not included with the permit application package because negotiations between JNU and FAA had to be resolved before the projects could be defined. Those negotiations are ongoing.

The application package included an overall Army Corps of Engineers application, several State of Alaska applications (DNR Habitat, DNR Lands, ADF&G, and ADEC), and CBJ applications (3 stream setback variances and 7 allowable use applications), and a mitigation plan. The status of the application process is summarized below:

Army Corps of Engineers (ACOE): On 9/21/07 ACOE issued an Approved Jurisdictional Determination and on 9/24/07 they issued a 30-day public notice for the projects represented in the permit application. The public notice expired on 10/22/07. ACOE asked for JNU's responses to the two comments received, which we have done. Based on a conversation with Randy Vigil (ACOE project manager for JNU projects) on the morning of 11/15/07, the ACOE will soon begin drafting their Record of Decision. At this point, Mr. Vigil sees no controversies and he expects a straightforward process.

State of Alaska: State applications must achieve a consistency determination from the Alaska Coastal Management Program (ACMP) before the "clock starts" for the various agencies to review the applications. ACMP asked the various agencies to review the applications for completeness and by mid-September requests for additional information had been received from ADF&G and DNR Lands. On October 22, 2007, as a result of additional information provided by JNU, ADF&G accepted the application packet as complete. On November 15, 2007, the necessary information to satisfy DNR Lands was submitted to ACMP. It is expected that ACMP will now issue a consistency determination and start the permit application review clock (which is expected to be a 30

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day window). The public notice process for transferring refuge land at each end of the runway to JNU ownership will take longer than the other state permits (perhaps 60 days). Although it is expected that the review process for state applications will go smoothly, it is difficult to predict timeframes. We are hoping for permits by the end of March 2008.

CBJ: The variance and allowable use applications have been assigned to CBJ planners Greg Chaney and Teri Camery, and the Wetland Review Board (WRB) has met several times to evaluate the projects. At their November 8 meeting, the WRB passed motions supporting the projects (and also identifying their concerns about the design for Duck Creek and sedimentation issues in general). Teri Camery has asked for assurance from a qualified professional that the flood carrying capacity of the Mendenhall River and Duck Creek will not be diminished as a result of the airport projects. We have hired Vigil-Agrimis (from the FEIS team) to prepare a technical memorandum by the end of November to address Ms. Camery's concerns. Once that submittal is accepted, the CBJ applications will go before the planning commission. Expect that process to begin at the January 2008 planning commission meeting.

Mitigation Plan: A final revision of the mitigation plan was completed on November 14, 2007 and submitted to ACMP. The overall project will impact 72.22 acres of wetlands, which includes 13.02 acres that will be transferred from the refuge to JNU ownership. The overall price tag on the final revised mitigation plan is \$5,514,484. Of that amount, \$996,261 will be held in a reserve account dedicated to replacing the 13.02 acres removed from the refuge.