

## MEMORANDUM OF UNDERSTANDING PHASE 2

The Memorandum of Understanding Phase 2 ("MOU") is made effective as of this \_\_\_ day of \_\_\_\_\_, 2020, by and between the Matanuska-Susitna Borough ("MSB"), the Alaska Industrial Development and Export Authority ("AIDEA"), and AK Operations LLC ("AKO") each a "Party" and collectively the "Parties."

The Parties recite that:

A. The purpose of this MOU is to clarify rights, roles, responsibilities, and expectations of each Party for the phased feasibility analysis, due diligence and development of the West Susitna Access Road (the "Project").

B. In 2014, the Alaska Department of Transportation and Public Facilities (DOT&PF) Roads to Resources program completed an extensive natural resources inventory and access corridor study known as the West Susitna Reconnaissance Study for Access to Resource Development Opportunities. The purpose of the study was to identify multiple resource development opportunities that can be accessed by one transportation corridor, thereby attracting multiple private sector investments across resources.

C. Under AS 38.04.065, the Commissioner of the Department of Natural Resources, with local, governmental, and public involvement under AS38.05.945, may adopt, maintain, and when appropriate, revise regional land use plans that provide for the use and management of State of Alaska-owned lands, and to identify important land resources that can be used for the maximum public benefit.

D. AIDEA's purpose is to promote, develop, and advance the general prosperity and economic welfare of the people of Alaska. One of the ways in which AIDEA pursues the fulfillment of this purpose is by supporting and encouraging the development of natural resources in Alaska. AIDEA has the statutory authority to finance, develop, and own and operate facilities and improvements, including roads and related infrastructure, that are intended for use in connection with the extraction, transportation and production of timber, metals, minerals, hydrocarbons, petroleum products and other resources (each a "Resource" and collectively known as "Resources").

E. On October 23, 2019, MSB and AIDEA entered into a Memorandum of Understanding for Phase 1 of the Project to identify proposed and alternative transportation corridors, gather digital data, conduct field reconnaissance, and define the next phases of the Project.

F. MSB continues to explore the possibility of building a multi-user transportation corridor within the MSB to the Little Susitna River and further west within the MSB in advancing the work initiated by DOT&PF. The Parties acknowledge that such road(s) and infrastructure could and may be used, subject to the appropriate permits and agreements, to access MSB's Resources, as well as enhancing MSB's fire suppression activities.

G. AKO is a Resource owner in the Yentna Mining District area within the MSB seeking to investigate the viability of permitting and constructing an all-season multi-user industrial access road to the area in collaboration with MSB, AIDEA and other Resource owners.

H. The Parties intend to foster partnerships with other Resource owners, both publicly and privately owned, who's commercial and business activities within the MSB will benefit from the development of road(s) and infrastructure. The Parties are committed to an open and transparent public process for all phases of major decision making on the Project.

NOW, THEREFORE, the Parties agree as follows:

**1. COOPERATION.** The Parties will work cooperatively, act in good faith, and use reasonable best efforts to coordinate activities and responsibilities with each other in pursuit of the Project. The parties will cooperate with one another and furnish each other with any information regarding the Project or the planned development of the Project that the other Party may reasonably request. MSB, AIDEA, and AKO are committed to an open public process and stakeholder engagement for the project phases and milestones. No Party, however, shall be obligated to disclose to the other Parties confidential, proprietary information or information that is required to be kept confidential under applicable law.

This MOU is non-exclusive for all Parties. Any Party may cooperate and work with any other third persons and/or entities regarding the Project. This MOU is not intended, and shall not be deemed, to create a partnership or joint venture between the Parties. No Party shall owe a fiduciary duty to any of the other Parties.

Any decision to progress the project forward past Phase II will require the authorization of all Parties and include compliance with AIDEA's statutes and finance regulations.

**2. PHASED DEVELOPMENT.** The Project will be budgeted and progressively pursued in phases to be mutually agreed by the Parties.

The objectives and goals for Phase 2 include:

- a. Investigate the viability of permitting and constructing an all-season industrial access road to the Yentna Mining District, terminating near the Whiskey/Bravo airstrip and potentially investigate beyond to AKO's operated Estelle Gold Project.
- b. Facilitate strategies to maximize the local economic benefit and job opportunities in the MSB as a result of responsible development of the Yentna Mining District.
- c. Establish the groundwork and collaboratively develop a plan for salmon habitat.
- d. Provide a framework for AIDEA, MSB, AKO, and consortium to cooperatively engage with local communities and other project stakeholders to incorporate via public meetings and consultations.
- e. Identify areas requiring federal, state and local permitting, and facilitate support for obtaining such permits.

To assist in accomplishing the objectives and goals, subject to the terms of this MOU, the Parties hereby agree to pursue Phase 2 of the Project and will seek to complete all agreed tasks for Phase 2 by [December 31, 2020]. The tasks for Phase 2 are agreed to be the following:

- f. Compile & review digital/geospatial information and aerial imagery;
- g. Perform preliminary engineering analysis;
- h. Wetlands mapping and field verification of wetlands within corridor;
- i. Develop project communications program; and
- j. Define the next phase(s) of the Project.

The Parties hereby agree that AIDEA engages with HDR Alaska, Inc. (HDR) for Phase 2. The Parties have reviewed and approved detailed scopes of work and contract terms for Phase 2 of the Project and find the timeline acceptable to the Parties. The agreed scope of work are attached as Exhibit B to this MOU.

**3. BUDGET.** The Parties will establish a project budget for each phase prior to the initiation of each phase of the Project.

The budget for Phase 2 of the Project is attached as Exhibit A. The Parties agree that costs for Phase 2 of the Project shall not exceed four hundred, twenty five thousand dollars (\$425,000). The Parties shall share the costs of Phase 2 proportionately based on the following:

- a. MSB will not contribute funds to Phase 2
- b. AIDEA agrees to pay \$155,000, plus a commitment to fund up to \$7,500 in contingency funding,
- c. AKO agrees to pay \$155,000, plus a commitment to fund up to \$7,500 in contingency funding; and
- d. Funding will be raised from third party participants to pay the remaining \$100,000 prior to the commencement of Phase 2, with agreed upon Contribution Agreement form attached as Exhibit C.

Funds from AIDEA, AKO and any third party participants will contribute its share to a designated project account held and controlled by AIDEA for Phase 2 of the Project. No funds will be disbursed from the designated project account, unless otherwise agreed to in writing by the Parties, until a full balance of \$410,000 is achieved.

Any expenditures to be incurred that exceed the Phase 2 Budget will require the written approval of the Parties. Any funded amounts which have not been disbursed from the project account at the end of the term of Phase 2 shall be refunded to the Parties and to any third party participants upon their written request, unless otherwise agreed to in writing by the Parties and the third party participants.

**4. ROLES.** The Parties shall have to the following roles and responsibilities:

- a. MSB will:
  - i. Lead the designation of the proposed and alternative transportation corridors;
  - ii. Promote and communicate to MSB constituents project updates and engage project stakeholders to ensure an open and transparent public process;

- iii. Identify Resources owned by MSB along the proposed and alternative transportation corridors and assist AIDEA in determining programs to achieve the economic value of the Resources; and
- iv. Potentially represent all Parties as applicant in all applicable approvals or permits necessary for the Project and lead discussions with federal, state and other local governmental entities (if any) regarding the Project.

b. AIDEA will:

- i. Engage HDR as consultant to undertake the agreed Phase 2 scope of work and lead communications between HDR and the Parties;
- ii. Manage disbursements from the designated project account;
- iii. Use commercially reasonable best efforts to raise Phase 2 funding from third party Resource owners;
- iv. Identify and approach other third party Resource owners that will benefit from the Project to participate in future phases of the Project;
- v. Determine and structure the finance plan for the Project phases.

c. AKO will:

- i. Support MSB, AIDEA and any arranged consortium;
- ii. Provide relevant resources and contribute financier contracts in investigating AIDEA supported financing options;
- iii. Provide human resources and further synergy by providing aircraft support for Phase 2 studies whilst AKO's exploration programs underway to minimize aircraft utilization costs where directed by MSB and AIDEA

- d. MSB, AIDEA and AKO will jointly prepare and facilitate strategies to maximize the local and regional economic benefits and job opportunities associated with the Project.

5. **RIGHTS.** Except as provided for under Section 9 of this MOU, each Party to this MOU shall have full access and rights to use the data, reports, studies, analysis or any other work product produced under this MOU for any purposes determined at the sole discretion of that Party.

6. **NO COMMITMENT, WAIVER, OR GRANT OF PERMISSION.** Nothing in this MOU obligates the Parties to take any specific action with respect to the Project other than Phase 2. Nothing in this MOU obligates AIDEA to provide any financing for the development of the Project. Likewise, nothing in this MOU waives any provisions of State Law or Borough Code or grants any form of permission under any law which may apply to activities beyond this MOU, including but not limited to, future approvals under MSB platting or land use regulations and governing body approval AS 44.88.095(c).

7. **TERMINATION.** The MOU may be terminated:

- a. By mutual consent of the Parties;

- b. For convenience of one Party, provided that the terminating Party notifies the other Party of its intent to terminate at least thirty (30) days prior to the effective date of the termination; or
- c. For cause, by either Party where the other Party fails in any material way to perform its obligations under the MOU. Termination for cause requires the terminating Party to notify the other Party of the intent to terminate, stating with reasonable specificity the grounds therefore, and the termination for cause shall be effective only if the other Party fails to cure the failure to perform within (30) days after receiving the notice.

Notwithstanding a termination, each Party will remain obligated to fund its share of the Phase 2 Budget, and any other approved budgets for subsequent phases of the Project, with respect to those costs that cannot be avoided or that must be incurred in closing out a contract or previously approved task order.

8. **THIRD PARTY CLAIMS.** Each Party will bear its own costs (including attorney's fees) with respect to any third-party claim brought against one or both of them that arises from or is related to this MOU.

9. **CONFIDENTIALITY.** The Parties acknowledge that their records with respect to the Project and matters connected to it are generally available to the public for inspection upon request.

In the event MSB desires AIDEA to keep confidential any information or records that MSB provides to AIDEA, MSB must specifically request that the Executive Director of AIDEA determine that the information or records be treated as confidential and MSB must demonstrate to AIDEA that the information or records are within the categories established in AS 44.88.215 or are confidential under other applicable law. Upon MSB complying with the preceding sentence, AIDEA shall keep all such information and records confidential pursuant to the provisions of AS 44.88.215.

The Parties acknowledge that certain documents and records related to this MOU or the Project may be subject to the attorney-client privilege. Nothing in this MOU is intended or will alter the Parties' ability or authority to maintain the privilege within their own respective organizations.

10. **Governing Law; Forum Selection.** This MOU and the rights of the parties under it are governed by the law of the State of Alaska. Any judicial proceeding arising out of or related to this MOU shall be filed and heard in the Superior Court for the State of Alaska, Third Judicial at Anchorage, and not elsewhere.

11. **Amendments.** Any Party may request changes to this MOU. Any changes, modifications, revisions or amendments to this MOU must be in a written instrument, which shall be effective when executed and signed by both of the Parties.

12. **Third-Party Beneficiary Rights.** The Parties do not intend to create in any other individual or entity the status of a third-party beneficiary, and this MOU shall not be construed so as to create any third-party rights.

**13. Assignment.** No Party may assign its rights or delegate its duties under this MOU to any other person or entity without the prior written consent of the other parties to the assignment or delegation.

**14. Expiration.** Unless sooner terminated as provided for in Section 7, this MOU and the Parties obligations under it expire three years after the effective date first stated above. The Parties, however, may extend this MOU by mutual written consent.

**IN WITNESS WHEREOF**, the parties to this MOU through their duly authorized representatives have executed this MOU effective as of the date first written above.

**ALASKA INDUSTRIAL DEVELOPMENT  
AND EXPORT AUTHORITY**

By: \_\_\_\_\_

Alan Weitzner  
Interim Executive Director

**MATANUSKA-SUSITNA BOROUGH**

By: \_\_\_\_\_

Borough Manager

**AK OPERATIONS LLC**

By: \_\_\_\_\_

Christopher Gerteisen  
North American Director

# Exhibit A

West Susitna Phase II  
Project Budget  
May-20

Item	Description	Qty	Units	Price
1	HDR Engineering Scope of Work	1	LS	\$ 399,893.00
2	Additional Lidar & Aerial Imagery	1	LS	\$ 10,107.00
3	Phase II Cost Contingency	1	LS	\$ 15,000.00

**Total \$ 425,000.00**



# Exhibit B



May 14, 2020

Jesse Peterson  
Senior Manager  
Project Finance & Asset Management  
Alaska Industrial Development and Export Authority  
[JPeterson@aidea.org](mailto:JPeterson@aidea.org)

Subject: Proposal – West Susitna Access Project, Phase 2, Road Only

Dear Mr. Peterson,

In 2019 HDR Alaska, Inc. (HDR) was contracted by AIDEA to identify preliminary multi-modal surface access corridors to known resource-abundant areas on the west side of the Susitna River and to perform a field reconnaissance study of the identified corridors. Those efforts were considered Phase 1 of the West Susitna Access Study, which culminated in a Field Reconnaissance Report dated January 7, 2020. That Phase 1 report identified engineering and environmental considerations and constraints along the corridors and also recommended corridor alignment changes in some locations. Building on the results of Phase 1, AIDEA has requested a proposal to perform preliminary engineering, develop cost estimates, and map wetlands for a road-only corridor - work that is referred to herein as Phase 2.

This letter is HDR's modified proposal for Phase 2 (road only) of the West Susitna Access Project. We understand that AIDEA, the Matanuska-Susitna Borough (MSB), and private partners are collaborating on this study. We understand that AIDEA is leading this effort and that AIDEA is asking HDR to provide engineering, environmental, and strategic communications services to further advance the project. We understand that if HDR is awarded this work it will be contracted as a task order under our AIDEA Project Support Services Term Agreement (Agreement No. 18009).

### **Project Route Alternatives**

HDR's Phase 2 work on the West Susitna Access Project will consider the following route (study area):

Port Mackenzie Route (PMR): This route would be approximately 100 miles of road starting near the end of Ayrshire Road and heading northwest to the vicinity of the confluence of the Talachulitna River and Skwentna River, then crossing the Skwentna River, and continuing generally along the proposed Donlin Gold gas pipeline route on the north side of the Skwentna River. Near the Happy River crossing the route would diverge away from the Donlin Gold gas pipeline route and continue east to a point of tie-in with existing exploration roads near Gold Mining Inc.'s exploration camp. Approximately 57 miles of this segment would follow the proposed Donlin Gold gas pipeline route.

### **Project Purpose**

HDR understands AIDEA's purpose of this Phase 2 effort is to:

- a) advance the preliminary engineering to a point that preliminary opinions of probable capital cost can be developed for economic decision making; and

- b) conduct wetland mapping and wetland field work by the end of summer/fall 2020 in preparation for developing a Clean Water Act Section 404 permit application.

## **Scope of Services**

HDR proposes the following scope of services:

### Task 1. Acquire and Review Information:

- A. **Compile and Review Existing Digital/Geospatial Information:** HDR will review and compile LiDAR, aerial imagery, wetland, and other geospatial data, that is either publicly available or provided by project proponents, into one geodatabase for the project. It is assumed that data will be coming from the following sources: Donlin Gold (via MSB), and DNR-DGGS (via AIDEA), and MSB's own LiDAR. It is assumed that all data will be provided by AIDEA to HDR within two weeks of receipt of an executed NTP.
- B. **Aerial Imagery Procurement Assistance:** It is assumed that aerial imagery will need to be purchased from private vendors for some segments of the corridors. HDR will coordinate with private vendors for the procurement of necessary aerial imagery. This coordination will include preparing and sending aerial imagery boundaries to up to two vendors to inquire about the imagery that is available in the project areas, reviewing samples of the available imagery, and identifying which imagery will need to be purchased. AIDEA will select and pay the vendor(s) directly for the cost of the imagery. It is assumed that adequate imagery currently exists for the project area.

### Task 2. Preliminary Engineering:

Specific preliminary engineering activities to be performed are as follows:

- A. **Design Criteria:** HDR will interview project proponents to determine the design vehicle criteria and the appropriate ADOT&PF standard road design criteria (e.g. typical cross-section, minimum curvature, maximum grades, bridge load rating).
- B. **Geotechnical Evaluation:** HDR's subconsultant, RECON LLC, will perform desktop geotechnical evaluations of routes to inform route alignment adjustments, design of typical sections, and design of waterway crossings. This work will also include desktop research and evaluation of potential material source availability and quality.
- C. **Alignment design:** HDR will use LiDAR data to create a 3D surface model of the existing ground. HDR will overlay route alternatives on the 3D surface, develop typical sections, and develop centerline profiles. Routes will be adjusted to meet design criteria and optimize grades, waterway crossing locations, and cut/fill.

By overlaying aerial imagery and other geospatial information (such as wetlands and geology), routes will be adjusted to minimize and/or avoid impacts to area resources. HDR will document route adjustments to avoid wetlands. (Note: Wetland mapping work (Task 3) will be happening simultaneously, so adjusting the

alignments for wetland avoidance will be an iterative process).

The deliverable of this task will be a map book showing the alignments in plan view at a scale of approximately 5 to 10 miles per sheet. Maps will show alignment centerline, cut/fill lines, mileposts, and callouts identifying bridge crossings. Maps will be overlaid on aerial imagery and topographic contours. The map book will include an overview map. The map book will be developed in pdf and formatted to 11x17-inch sheets.

- D. Waterway crossing design: HDR will develop a geodatabase tabulation of all waterway crossings categorized based on type of crossing (bridge versus culvert, bridge type, bridge spans, bridge length, culvert type, fish presence, anadromous fish presence, and drainage only). Crossing length will be estimated by measuring between banks using aerial imagery and this measurement will be considered ordinary high water (OHW). No field work is included in the waterway crossing design effort. No hydrology/hydraulic calculations/modeling/engineering will be performed.

For the purposes of limiting field work and cost at this early stage of the project HDR will develop a conservative approach to assumptions about fish presence, anadromous fish presence, and which waterways will be designed for fish passage and which will not.

HDR's cost is based on the following estimate of numbers of single and multi-span bridges:

Route/Segment	Single-span	Multi-span	Total
PMR	9	4	13

- E. Opinion of Probable Capital Cost (OPCC): HDR will develop an OPCC to the AACE Class 4 or Class 5 level depending on availability of input information. The OPCC will be based on rough-order of magnitude construction and material quantities. Bridges will be estimated based on deck surface area or based on other recent similar bridge projects depending on information availability.
- F. Preliminary Engineering Report: HDR will prepare a preliminary engineering report documenting the activities and outcomes of the tasks above. The report will include the OPCCs, alignment design, waterway crossing categorization, conclusions, recommendations on routes, and recommendations on next steps.

The report will be submitted to AIDEA in draft version for review and comment. HDR's project manager, lead engineer, and lead wetland scientist will attend one 2-hour draft review meeting at AIDEA. HDR will incorporate draft comments and submit a final version 2 weeks after the draft review meeting or receipt of draft comments, whichever occurs later. HDR's budget for this deliverable is based on one round of consolidated comments (provided by AIDEA) and revisions from draft to final.

### Task 3. Wetlands:

- A. Preliminary Wetlands Mapping: Using the compiled LiDAR, aerial photography, and publicly-available existing information, HDR will produce preliminary planning-level wetland mapping for an approximate 2,000 foot-wide corridor (approximately 1,000 feet to either side of the alignment) along the two study routes. The net area requiring wetland mapping along the study routes is approximately 8,000 acres (33 miles x 2,000 feet) from the end of Ayrshire Road to the point of tie-in with the proposed Donlin Gold gas pipeline route near Upper Sucker Creek; this excludes approximately 57 miles of the PMR that overlaps with the proposed Donlin Gold gas pipeline route and the westernmost 8 miles of the PMR for which it is assumed that adequate wetland mapping already exists and will be provided by Donlin.

Wetland/upland boundaries will be digitized in GIS at a scale of approximately 1:3,000 to produce mapping intended to be viewed at approximately 1:7,500. Within wetland areas, only large areas of major wetland types will be distinguished from each other. Wetlands and waterbodies will be classified according to the Cowardin et al. (1979)<sup>[1]</sup> system used by the National Wetlands Inventory, and the hydrogeomorphic (HGM) system<sup>[2]</sup>. In addition, wetland mappers will identify wetlands that are likely to have the highest overall ecological value, based on professional judgment and available datasets.

During the desktop wetland mapping, wetland scientists will map the corridors using best available data. As the mapping progresses, mappers will rank the wetlands mapped with two rankings: 1) confidence level and 2) prevalence level. The confidence level will represent the confidence of the wetland or upland determination based on vegetation signature, topography, hydrology indicators, correspondence with existing data sets, and professional judgment. The prevalence ranking will estimate how widespread the particular vegetation signature is across the mapping corridor. The rankings will be combined to create a prioritization for the wetland field work. Using this prioritization method, only widespread vegetation signatures with low confidence levels will be field-verified. This will maximize field work efficiency with the available budget.

- B. Wetland Field Program Planning: This task will cover the upfront planning and coordination with vendors and subconsultants on the field effort logistics and health and safety program coordination (both in general and as it relates to COVID-19). The deliverable from this effort will be a technical memo, up to about four pages in length, documenting the logistics and health and safety plans for the field program.
- C. Wetland Field Program: HDR will conduct reconnaissance-level field work within the study area during the summer or early fall of 2020. The intent of the field work is to collect sufficient data to verify the accuracy of the preliminary wetland mapping at a level appropriate for route selection and comparison of alternatives.

Two field teams, each consisting of two wetland scientists and one bear guard, will each conduct up to four day-trips during summer 2020. A day trip is budgeted as

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<sup>[1]</sup> Cowardin, L.M., V. Carter, F.C. Golet, and E.T. LaRoe. 1979. Classification of Wetlands and Deepwater Habitats of the United States. FWS/OBS-79-31. Office of Biological Services, U.S. Fish and Wildlife Service, Washington, D.C.

<sup>[2]</sup> Brinson, M.M. 1993. A hydrogeomorphic classification for wetlands. Technical Report WRP-DE-4, U.S. Army Corps of Engineers Waterways Experiment Station, Vicksburg, MS.

10 labor hours per team member and 6 hours total helicopter flight time per day. Field work will be based out of Merrill Field. Field work will be conducted during the growing season for the Cook Inlet ecoregion in which the study area is located (May 8 to October 5).<sup>[3]</sup> Field targets will be identified based on the prioritization rankings from subtask 3.A.

During the field trips, teams will visit the targeted locations and collect data on soil conditions, hydrology, and plant communities using methods described in the 1987 Wetlands Delineation Manual<sup>[4]</sup> and the 2007 Regional Supplement to the Corps of Engineers Wetland Delineation Manual: Alaska Region.<sup>[5]</sup> Teams will complete standard Wetland Determination Forms in representative wetland communities and collect observational data to characterize uplands and waterbodies.

HDR will conduct a quality control (QC) review of the field data following completion of field work.

- D. Preliminary Wetland Mapping Report: HDR will use the 2020 field data to make revisions to the preliminary wetland mapping. GPS locations of field-visited sites will be overlaid on aerial imagery and other data layers in GIS to verify the classification of wetlands and waterbodies in the study area. Aerial photography vegetation signatures from these field-visited sites will be extrapolated to similar locations. Revisions to the preliminary wetland mapping will be conducted at a scale of 1:3,000.

HDR will produce a preliminary wetland mapping report presenting the mapping for all study routes. The report will briefly describe the wetland and waterbody types documented in the study area; the methods of the field work and wetland mapping; and the results of the field-verified mapping, including the acreage of wetlands and waterbodies judged to be of relatively high ecological value. Appendices to the Preliminary Wetland Mapping Report will include the completed Wetland Determination Forms as well as site-photographs of the locations visited in the field.

The report will be submitted to AIDEA as a draft version for review and comment. HDR will incorporate draft comments and submit a final version 2 weeks after receipt of draft comments. HDR's budget for this deliverable is based on one round of consolidated comments provided by AIDEA and revision from draft to final.

#### Task 4. Meetings and Project Management:

- A. Meetings: HDR will attend the following meetings in addition to the task-specific meetings identified above:
  - i. Kick-Off Meeting: One 2-hour meeting for up to four HDR staff at AIDEA's Anchorage office to discuss project approach, goals, and communication

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<sup>[3]</sup> U.S. Army Corps of Engineers. 2007. Regional Supplement to the Corps of Engineers Wetland Delineation Manual: Alaska Region (Version 2.0). ERDC/EL TR-07-24. U.S. Army Engineer Research and Development Center, Vicksburg, MS.

<sup>[4]</sup> U.S. Army Corps of Engineers. 1987. Corps of Engineers Wetlands Delineation Manual. Corps of Engineers Environmental Laboratory, Vicksburg, MS.

<sup>[5]</sup> U.S. Army Corps of Engineers. 2007. Regional Supplement to the Corps of Engineers Wetland Delineation Manual: Alaska Region (Version 2.0). ERDC/EL TR-07-24. U.S. Army Engineer Research and Development Center, Vicksburg, MS.

protocols. This meeting will occur within two weeks of receipt of an executed NTP. It is expected that representatives of all project proponents will attend. HDR will take notes during the meeting and will distribute the notes to attendees 1 week after the meeting.

- ii. Progress Meetings: HDR will participate in up to thirteen 1-hour meetings at AIDEA or via teleconference to discuss progress, upcoming work efforts, and information/decision needs. Up to two HDR staff will participate in these meetings. These meetings are anticipated to be held every two weeks over a six month period from July through December 2020.
- iii. Project Team Meetings: HDR will hold up to thirteen 1-hour project team meetings every two weeks to discuss progress, upcoming work efforts, and information needs. These meetings will be internal for HDR and subconsultant staff only.

- B. Project Management: HDR includes project management activities; project start up, accounting, invoicing, and project close out; and administration of HDR's safety and quality programs on this project.

#### Task 5. Strategic Communications:

Strategic communications is important for overall public support on the project and to minimize potential project impacts. HDR is prepared to provide three strategic communication support services for the West Susitna Access project. These include: A) A Strategic Communications and Public Relations Plan to address the communication goals of the project, B) One public outreach meeting, and a C) Project fact sheet.

- A. Strategic communication and public relations plan: HDR will work closely with AIDEA and the investing partners to develop a strategic communications plan. This plan will outline the strategy, approach, and tactics for reaching the project communication goals. The contents of the plan will include:

- Project terminology
- Communication goals
- Key messaging, talking points, and internal Q&A information
- Communication roles and responsibilities
- Stakeholder list
- Stakeholder analysis
- Social and political risk analysis
- Strategy and approach to stakeholder engagement/public outreach for target audience(s)
- Recommended tactics
- Digital engagement suggestions

The plan will be drafted electronically and is assumed to be no more than 25 pages, including attachments or appendices. HDR will provide a draft and final version delivered electronically in a PDF format (no hardcopy provided) along with any assets. HDR's budget is based on two rounds of comments and revision from draft to final. The plan assumes no implementation of the recommended strategy or tactics, except for the one public meeting and development of a

project fact sheet as described below. The plan will be created using the AIDEA brand. No customized project branding will be created. Development of the plan includes project leadership collaboration time, stakeholder analysis, and up to three 2-hour meetings with project partners to align messaging, roles and responsibilities, and communication plan content. Two of these meetings will be in person and one of these meetings will be conducted via web conferencing. Up to two HDR staff will participate in the meetings. HDR includes agendas and meeting summaries for the planning meetings.

- B. Public meeting: HDR will coordinate and host one public outreach meeting to stakeholders. Using an open house style format, there shall be displays and tables where attendees can write comments and discuss concerns with project team leadership. HDR will schedule and plan the open house, develop and print all materials (boards, comment forms, sign-in sheets, and nametags) and participate in the public meeting in person. One dry run or preparation meeting will be conducted in person prior to the public meeting up to one hour in length. Up to 8 display boards are assumed. No presentation is assumed. A court reporter will not be available. HDR will provide all comments to AIDEA for tracking. HDR will not provide a comment tracking spreadsheet or responses to comments. Travel for the public meeting is assumed at one hour each way with a combined four hours of setup and breakdown. HDR will provide two staff for the public meeting and dry run. The public meeting will be held at a no or low cost locations with water and cookies provided. The planning for each public meeting will be conducted over the phone and via email. No in person planning meetings are assumed. Planning is assumed at no more than eight hours including client correspondence and logistics coordination. HDR will advertise and promote the public meeting in the following ways: a newspaper ad in the general section of the Anchorage Daily News, three social media posts with paid advertisement to boost the post to the specified target audience, a radio public service announcement (unpaid), and mailed postcards to up to 250 residents in the area.
- C. Project fact sheet: HDR will create a project fact sheet that is one page, double sided. It will use existing graphic images and maps. No new images or GIS maps will be created for the fact sheet. Two rounds of consolidated comments on the draft version and one round of consolidated comments on the final. Edits will be delivered in a single email to HDR and no more than two hours of client correspondence is assumed to develop the fact sheet content. The AIDEA brand is assumed for the fact sheet. No customized project branding will be created. The final fact sheet will be delivered electronically via email along with any correlating assets.

## **Notes and Assumptions**

This proposal is contingent on the following notes and assumptions:

1. HDR asks for AIDEA's understanding and flexibility in terms of schedule and meeting format as we all navigate new conditions caused by COVID-19. Meetings may need to be



conducted electronically rather than in person; there could be issues with adequate staffing; and the project schedule may need to change.

2. HDR is concerned about COVID-19 transmission risk as it relates to field work with two HDR field staff, one pilot, and one bear guard travelling in a small helicopter together. The specific concerns are how to meet health and safety policies of social distancing in the close confines of a helicopter without greatly increasing helicopter flight time, costs, or other safety risks. As part of subtask 3.B HDR will work with all parties involved to identify a reasonable and safe field work plan; however there is the potential that field work during the COVID-19 pandemic could be deemed unsafe or impractical due to the costs that could result in attempting to mitigate safety concerns. HDR leadership, HDR field staff, the helicopter company staff, and the bear guard company staff will all be allowed the decision to not conduct field work due to COVID-19 related health and safety precautions. HDR will try to be as flexible as possible to complete the field work, but if any of these parties decide to not conduct the field work and a suitable work-around cannot be identified, then HDR will negotiate a deductive change order for subtask 3.C.
3. AIDEA is responsible for coordinating deliverable reviews. This means that AIDEA will send deliverables to others for review. AIDEA will be responsible for compiling all comments from other reviewers into one document for transmittal back to HDR. AIDEA will be responsible for adjudicating and resolving potentially conflicting comments from different reviewers prior to delivery to HDR so that HDR has clear direction. AIDEA will provide deliverable review comments to HDR in a timely manner.
4. Excluded from this scope of work are the following items:
  - a. Ports, loading facilities, and unloading facilities.
  - b. Spur access from the defined study routes to resource areas.
  - c. Wetland mapping and other environmental reviews along the 57 miles (approx.) of the study area that overlaps the proposed Donlin Gold gas pipeline alignment and the westernmost 8 miles of the study area. For these segments it is assumed that Donlin Gold will be providing wetland mapping, aerial imagery, LiDAR, and other geodatabase information.
  - d. An environmental data gap analysis
  - e. Study or analysis of permits and environmental resource categories other than those specifically described herein.
5. It is assumed that aerial imagery of sufficient quality is available for purchase over the entire study area (minimum 1-meter pixel resolution).
6. Costs (labor and/or expenses) arising due to delays or false starts of field work, which are outside of HDR's control, will be negotiated with AIDEA on a time and expenses basis as additional services.
7. All deliverables will be produced and submitted electronically, unless specifically noted otherwise.
8. HDR includes helicopter and bear guard services in this scope and fee.
9. The budget for project management and regular progress meetings are built on an

assumed six months of project duration.

10. There is one senior HDR engineer, John Sherk PE SE - a bridge engineer, whose direct rate and billing rate (as calculated using the contract IDCR and profit limit) would exceed the limits of \$75 (direct) and \$200 (billing) set in the term contract. The fee proposed for this work is based on this individual billing at a rate of \$231.67. HDR further assumes that an amendment to the term contract to allow the higher billing rate for this individual is acceptable to AIDEA and will be executed prior to issuing an NTP for this project.
11. HDR will receive an executed task order or NTP by July 1, 2020.
12. AIDEA will provide LiDAR, aerial imagery, and geospatial data to HDR within 2 weeks following NTP.
13. HDR will complete preliminary desktop wetland mapping by September 1, 2020.
14. HDR will complete wetland field work by October 1, 2020.
15. Based on the above milestones HDR anticipates completion of this scope of services by December 31, 2020.

### **Deliverables Schedule**

HDR will prepare the following deliverables under this scope and cost estimate:

#### Task 1: Acquire and Review Information

*No deliverables for this task.*

#### Task 2: Preliminary Engineering

1. Draft Preliminary Engineering Report  
Submit to AIDEA by September 30, 2020
2. Final Preliminary Engineering Report  
Submit to AIDEA within 2 weeks of receipt of comments on draft

#### Task 3. Wetlands

3. Draft Preliminary Wetland Mapping Report  
Submit to AIDEA by November 13, 2020
4. Final Preliminary Wetland Mapping Report  
Submit to AIDEA by within 3 weeks of receipt of comments on draft

#### Task 4: Meetings and Project Management

5. Kick-off Meeting Notes  
Submit to AIDEA within 1 week of the kick-off meeting

#### Task 5: Strategic Communications

6. Draft Strategic Communication and Public Relations Plan  
Submit to AIDEA by July 17, 2020

7. Final Strategic Communication and Public Relations Plan  
Submit to AIDEA within 2 weeks of receipt of comments on draft
8. Draft Public Meeting Materials, Planning, and Advertising Materials  
Submit to AIDEA by September 25, 2020
9. Final Public Meeting Materials and Advertising Materials  
Submit to AIDEA within 2 weeks of receipt of comments on draft
10. Draft Project Fact Sheet  
Submit to AIDEA by September 25, 2020
11. Final Project Fact Sheet  
Submit to AIDEA within 2 weeks of receipt of comments on draft

**Cost**

HDR proposes a fixed price of \$399,893 for the above Scope of Services and this price is based on the Notes and Assumptions shown above. A breakdown of this price by task is shown below.

West Susima Access, Phase 2		HDR Labor	Subs Total	OTHER DIRECT COSTS	TOTAL COSTS
Task					
1	Acquire and Review Information	\$19,328	\$3,150	\$0	\$22,478
2	Preliminary Engineering	\$91,666	\$22,575	\$0	\$114,241
3	Wetlands	\$115,909	\$0	\$40,096	\$156,005
4	Meetings & Project Management	\$61,767	\$5,775	\$200	\$67,742
5	Strategic Communications	\$34,727	\$0	\$4,700	\$39,427
Basic Services - Labor Hour Total					
<b>BASIC SERVICES - TOTAL COSTS</b>		<b>\$323,397</b>	<b>\$31,500</b>	<b>\$44,996</b>	<b>\$399,893</b>

HDR will provide monthly invoices based on HDR’s estimate of the percent completion of the work broken down by task. Invoices will not include backup project accounting information.

I will serve as HDR’s project manager and I can be reached directly at 907-644-2124 or [wescott.bott@hdrinc.com](mailto:wescott.bott@hdrinc.com).

Sincerely,  
HDR Alaska, Inc.



Wescott Bott, P.E.  
Civil Engineer & Project Manager

# Exhibit C

## WEST SUSITNA ACCESS CONTRIBUTION AGREEMENT

This West Susitna Access Contribution Agreement (the “Agreement”), dated as of \_\_\_\_\_, 2020 is hereby entered into by and between the Alaska Industrial Development and Export Authority (hereinafter “AIDEA”) and \_\_\_\_\_, a party which may own, develop or use (hereinafter collectively or individually “ODU”) resources in the Susitna Region.

**WHEREAS**, in 2014, the Alaska Department of Transportation and Public Facilities (DOT&PF) Roads to Resources program completed an extensive natural resources inventory and access corridor study known as the West Susitna Reconnaissance Study for Access to Resource Development Opportunities. The purpose of the study was to identify multiple resource development opportunities that can be accessed via one or more transportation corridors, thereby attracting multiple private sector investments for resource development.

**WHEREAS**, on or about [\_\_\_\_\_], AIDEA, the Matanuska Susitna Borough (hereinafter “MSB”) and AK Operations LLC (“AKO”) entered into a Memorandum of Understanding (hereinafter “MOU” and attached to this Agreement as Exhibit A), and the MOU is intended to initiate a phased feasibility analysis, due diligence and development of a West Susitna Access Corridor (hereinafter “Project”); and

**WHEREAS**, AIDEA is seeking contributions for the purposes of funding advance field wetland work and performing preliminary engineering analysis for the Port Mackenzie route as described in the MOU (hereinafter “Phase 2 Work”); and

**WHEREAS**, ODU desires to make a contribution in order to obtain the rights to and license in, as may apply, all of the data, technical reports and related information acquired and produced as a result of Phase 2 Work; and

**WHEREAS**, ODU understands that AIDEA has established and will administer a bank account for Phase 2 Work expenses relating to the Project (hereinafter “Project Account”), with a contingency of \$15,000 for potential cost overruns (hereinafter “Contingency”). The Phase 2 Work Budget is not to exceed \$425,000.

**NOW, THEREFORE**, in consideration of the mutual covenants, terms and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. AIDEA, MSB, and AKO Funding

With the execution of the MOU, AIDEA has deposited \$155,000 into the Project Account, and AKO has deposited an additional \$155,000 into the Project Account.

2. ODU Capital Pool

Funds from participating ODU and other ODUs will be credited to a capital pool (the “Capital Pool”), the purpose of which is to raise \$410,000 to be spent on the Phase II Work and an additional \$15,000 for the Contingency.

3. ODU Contribution

ODU agrees to contribute \$ \_\_\_\_\_ to the Capital Pool.

4. Return of Unused Funds

The Parties hereby covenant and agree that if the total cost of the Phase 2 Work does not exceed \$410,000.00, all remaining funds of the Capital Pool shall be returned to participating ODUs as agreed amongst themselves. In the event that Phase II Work costs exceed \$410,000 the balance of the Contingency not used will be returned to participating ODUs as agreed amongst themselves. In the event there is a dispute or no agreement as to the return of funds from the Capital Pool or the Contingency, funds shall be returned to participating ODUs in proportion to their respective contributions.

5. ODU Rights and License

In consideration for the contributions contemplated hereunder, any contributing ODU shall have the right to receive and use the data, reports, studies, analysis or any other work product (collectively, the “Work Product”) produced during Phase 2 Work, upon completion of Phase II Work, for any purpose at its sole discretion. This Agreement shall constitute an unlimited license agreement for the Work Product in the event that any supplier asserts intellectual property or similar rights over the Work Product.

6. No Liability of ODU

It is agreed that ODU is not responsible for nor liable for the Phase II Work in any way, including but not limited to, all field work. AIDEA covenants that it is contracting with independent contractors that AIDEA will require to be self-insured in order to conduct the Phase I Work.

7. No Commitment Beyond Phase II Work

Nothing herein obligates any Party hereto to take any action with respect to the Project not related to Phase 2 Work or as otherwise set forth herein.

8. Confidentiality

ODU acknowledges that AIDEA is a public entity, and therefore, documents and records of AIDEA are generally available to the public for inspection upon request. However, to the extent

that ODU desires to transmit confidential information, such a request must be made in writing to AIDEA prior to transmission of the information to AIDEA. In making its request, ODU must demonstrate that the information is subject to one of the categories set forth in AS 44.88.215 or is otherwise protected by law. To the extent any information is protected by law it shall be maintained as confidential pursuant to the provisions set forth in AS 44.88.215.

The parties acknowledge that certain documents and records related to the Project may be subject to the attorney-client privilege. Nothing herein is intended to or will alter any Party's ability or authority to maintain the privilege within its respective organization.

#### 9. Cooperation

This Agreement is non-exclusive. Each Party reserves the right to work with any other person or entity regarding the Project. This Agreement is not intended, nor shall it be deemed, to create a partnership or joint venture between the Parties. Neither Party shall owe a fiduciary duty to the other.

#### 10. Amendment

This Agreement may only be amended, modified or supplemented by an agreement in writing and signed by each Party hereto. Any such amendment, modification or supplementation shall be considered effective when executed when signed by all Parties hereto.

#### 11. Assignment

No Party hereto may assign its rights or delegate its duties hereunder without the prior written consent of the other Party to this Agreement.

#### 12. Entire Agreement

This Agreement constitutes the sole and entire agreement of the Parties hereto with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings, representations and agreements, both written and oral, with respect to such subject matter.

#### 13. Governing Law; Forum Selection

This Agreement shall be governed by and construed in accordance with the laws of the State of Alaska. Any proceeding arising out of or based on this Agreement shall be filed and heard in the Superior Court for the State of Alaska, Third Judicial District at Anchorage, Alaska, and not elsewhere.

14. Counterparts

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

**IN WITNESS WHEREOF**, the Parties hereto have executed this Agreement as of the date first written above.

AIDEA

ODU  
[INSERT COMPANY NAME]

\_\_\_\_\_  
By: Alan Weitzner  
Its: Interim Executive Director

\_\_\_\_\_  
By:  
Its:





# ACCESS TO OPPORTUNITY

>> West Susitna Access Project: Phase 2



# INVESTING IN ALASKANS

■ The Alaska Industrial Development and Export Authority (AIDEA) is a public corporation of the State of Alaska, created in 1967 by the Alaska Legislature “in the interests of promoting the health, security, and general welfare of all the people of the state, and a public purpose, to increase job opportunities and otherwise to encourage the economic growth of the state, including the development of its natural resources, through the establishment and expansion of manufacturing, industrial, energy, export, small business, and business enterprises...”

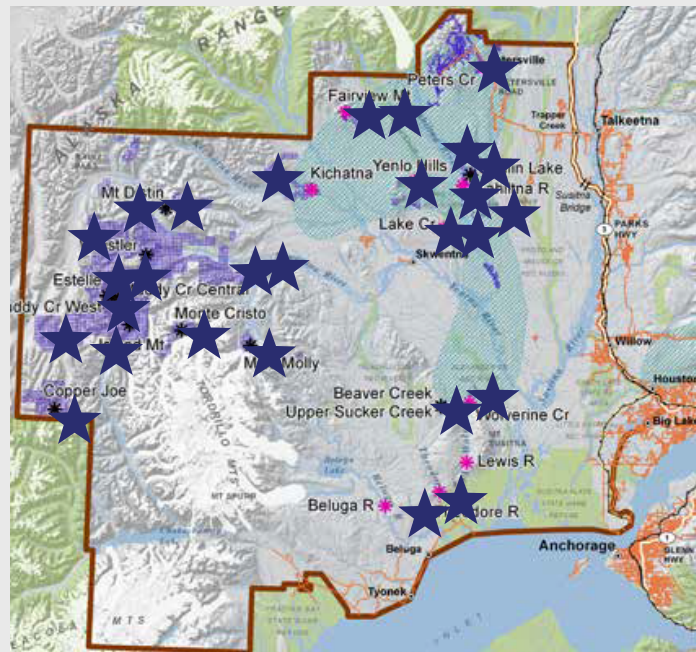
## PUBLIC-PRIVATE PARTNERSHIP

>> In 2019 AIDEA and the Matanuska-Susitna Borough (MSB) signed a Memorandum of Understanding that provided a partnership framework for a phased feasibility analysis of the West Susitna Access.

>> Today AIDEA and MSB, along with Alaska Operations LLC, are the initial public and private partners in Phase 2 of the West Susitna Access Project. Other private entities may participate in future development efforts.

>> The project will touch on land use planning. Alaska’s Legislature directed land use plans are required for the utilization of state-owned land. Alaska Statute 38.04.065: (a) Except as provided in (d) and (h) of this section, the commissioner shall, with local governmental and public involvement under AS 38.05.945, adopt, maintain, and, when appropriate, revise regional land use plans that provide for the use and management of state-owned land.

>> The process under which this project will go forward assures meaningful participation in the planning for access and road development. Local governments, state and federal agencies, area land owners and the public will be involved at each step along the way as any regional land use plan is adopted.



\*The stars represent hardrock and gold placer mining activities.

# PROJECT BENEFITS

The anticipated benefits of this project west of the Susitna River include the delivery of many new opportunities for Alaskans. The state’s economy will enjoy growth and jobs from the extraction of minerals, oil and gas development, agricultural production, harvest of timber resources, harnessing of alternative energy, and recreation access.

## WEST SUSITNA ACCESS PROJECT: PHASE 2

>> The West Susitna Access Project is being proposed to advance to Phase 2 of a multi-phase project to examine the feasibility of an all-season access road to the Yentna Mining District.

>> The road corridor will enable access to the MSB and state-owned natural resources for multiple user groups.

>> Phase 1, led by HDR Alaska, was completed in the fall of 2019 and narrowed the project footprint, and established a preferred route leading to the Yentna Mining District. Digital data was acquired and a high level field reconnaissance was conducted. Phase 1 results are available at [aidea.org](http://aidea.org) under 2020 AIDEA Board Meetings.

>> Phase 2 of the project builds on the 2014 West Susitna Roads to Resources study led by the Alaska Department of Transportation and Public Facilities.



MINING: GOLD, SILVER, COPPER, STRATEGIC METALS



OIL AND GAS: KNOWN PROVEN RESERVES



AGRICULTURAL: 65,000 ACRES



FOREST/TIMBER: 701,000 ACRES



ALTERNATIVE ENERGY: GEOTHERMAL AND WIND



RECREATION: 6 MILLION ACRES



LOAN PARTICIPATION



CONDUIT REVENUE BONDS



PROJECT DEVELOPMENT



INFRASTRUCTURE DEVELOPMENT



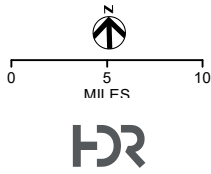
ENERGY DEVELOPMENT



BUSINESS LOANS



Routes shown on this map are adapted from the 2014 Roads To Resources study.



## WEST SUSITNA ACCESS PROJECT

OVERVIEW

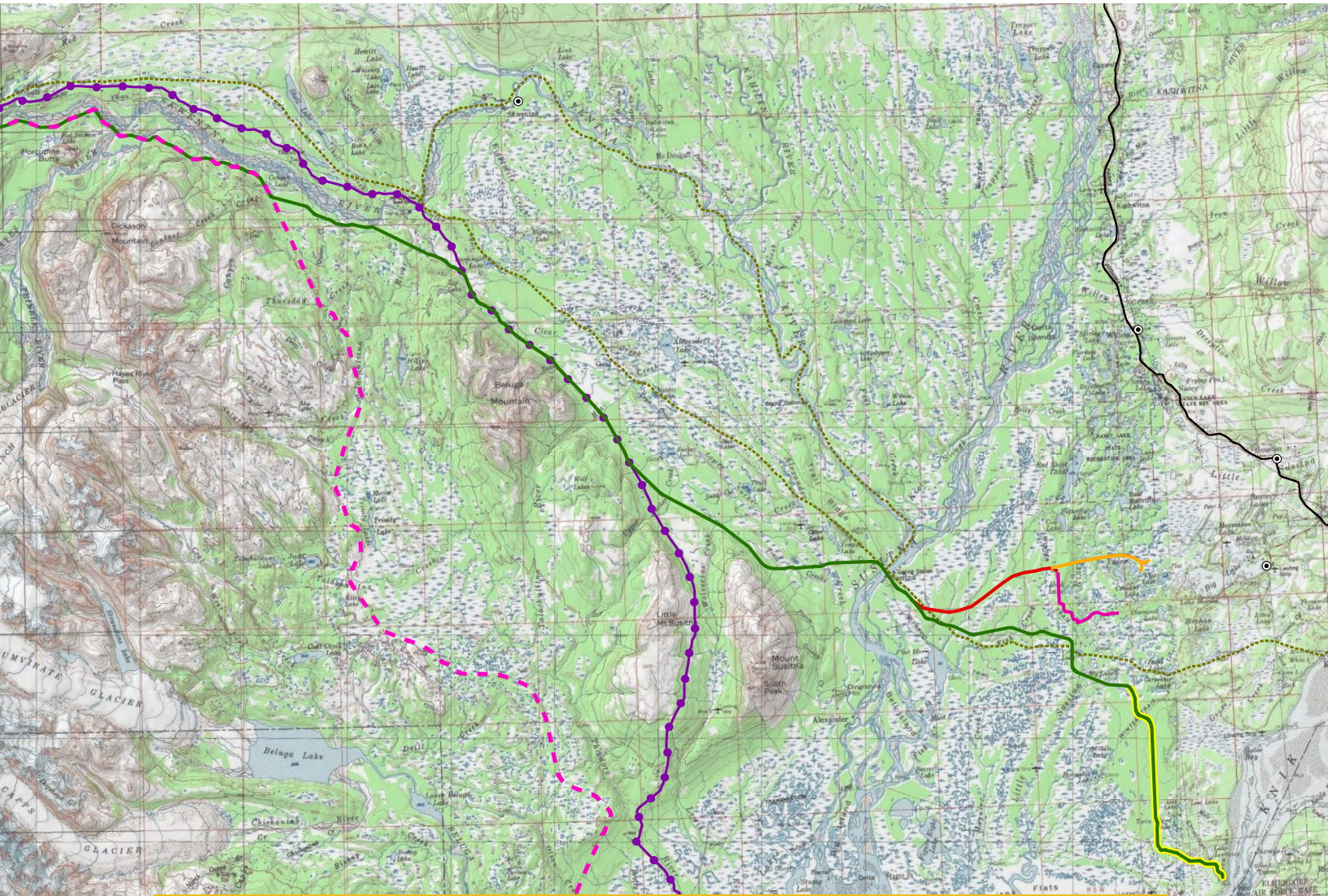
## LEGEND

### Existing Features

- Iditarod Trail Historic Routes
- Proposed Donlin Pipeline
- Highway

### Project Features

- South Route
- Port Mackenzie Route
- Port Mackenzie Railroad Corridor
- Existing MSB Clearing
- EWR Rail Connection
- East-West Route



## NEXT STEPS

>> AIDEA in conjunction with MSB and private industry partners will begin phase 2 in July 2020. Phase 2, which would further develop the engineering, has two objectives: 1) preliminary engineering adequate to determine an approximate project cost, and 2) collection of wetland field data to fully evaluate the route

planning and impacts. Phase 2 will accomplish these goals under a fixed-price contract with a private engineering consultant.

## SCHEDULE

- >> July 2020: Phase 2 Begins
- >> December 2020: Phase 2 Concludes