

Introduced by: City Manager Herron
Date: 2-24-04
Action: Passed
Vote: Unanimous

RESOLUTION # 04-05

A Resolution of the Bethel City Council respectfully requesting the Honorable Don Young, United States Congressman, Chairman of the Transportation and Infrastructure Committee to assist the Port of Bethel in expanding its port facilities in preparation for the development of one of the largest gold deposits in the world.

WHEREAS, Donlin Creek on Alaska's Kuskokwim River is one of the top ten undeveloped gold deposits in the world and within 175 miles of the largest rural hub, Bethel; and

WHEREAS, the Calista Regional Corporation is the subsurface owner and participant and is working with the region's residents, the City of Bethel, other public and private agencies within the Bethel regional community to foster a very promising economic reality with the development of Donlin Creek; and

WHEREAS, the history of expenditures by the mineral exploration companies has now exceeded \$45.1 million with measured and indicated gold deposits at contained ounces of 11,142,000 and inferred ounces quantities of 14,308,000; and

WHEREAS, the preliminary plan is for a conventional open pit, truck and shovel mine with ore production of 30,000 tons per day and development rock production of 180,000 tons per day employing 400 to 500 workers on a schedule of seven days a week, 24 hours per day with two 12-hour shifts; and

WHEREAS, the current focus is the identification of key project drivers, baseline data collection to support the permitting process, feasibility evaluations and, most importantly, the expansion of the infrastructure and capacities of the only medium-draft port of the Kuskokwim River located at Bethel; and

WHEREAS, the potential regional economic benefits include the employment of 500-600 people during construction, 400-500 people employed during mining, job training opportunities for local communities, lower regional shipping, fuel and energy costs and regional business opportunities; and

WHEREAS, the construction materials required for this project are currently estimated at 5,879 tons for mining equipment, 18,369 tons for process equipment, 10,912 tons for piping, 5,880 tons for structural steel, 6,061 tons for pre-engineered buildings, 220,412 tons of aggregate, 18,369 tons of cement, 7,345 tons of reinforcement bars, 1,466 tons of formwork, 1,455 tons of electrical equipment, 1,026 tons of plate work, 55,000 tons of fuel (generation/pre-stripping), 1,095 tons of non-perishable foods, 1,466 tons of furniture and miscellaneous, and 4,412 tons of temporary construction offices; and

WHEREAS, the yearly consumables for the mine include: 100,000 tons of lime, 36,700 tons of fuel (10,000,000 gallons), 890 tons of lubricants (260,000 gallons), 50,000 tons of tires, 20,000 tons of liners, 21,300 tons of explosives, 6,320 tons of reagents, 250 tons of non-perishable foods, 624 tons of blasting caps, primers, and fuses, and 1,000 tons of miscellaneous items; and

WHEREAS, the Port of Bethel cargo tonnage for the fiscal year, (July 03-June 04): 18,650 tons of dry cargo, 69,546 tons of fuel (18,950,000 gallons), 157 tons of lubricants (45,000 gallons), 8,000 tons of sand and gravel; and

WHEREAS, the Port of Bethel cargo tonnage conservatively estimated for the current fiscal year, (July 04-June 05): 32,000 tons of dry cargo, 66,060 tons of fuel (18,000,000 gallons), 157 tons of lubricants (45,000 gallons), 16,050 tons of sand and gravel; and

NOW, THEREFORE, BE IT RESOLVED THAT: The Bethel City Council respectfully requests the Honorable Don Young, Congressman for all Alaska, Chairman of the U.S. House Transportation and Infrastructure Committee to assist the Port of Bethel in expanding its port facilities in preparation for the development of one of the largest gold deposits in the world.

PASSED AND APPROVED THIS 24th DAY OF February, 2004 BY A UNANIMOUS VOTE.

ATTEST:



Hugh Short, Jr., Mayor



Amanda Roudébusch, City Clerk