

WETLAND MITIGATION AND BANKING

Project Scope

The Matanuska-Susitna Borough was granted 355,210 acres of land from the State of Alaska as part of our Municipal Land Entitlement. The Borough uses these lands for a variety of purposes ranging from selling parcels for private and commercial development, wetland mitigation banking, preservation for parks, trails, and open space, and for public facilities such as schools, fire and ambulance stations, and community centers.

Under Borough law, land owned by the Borough is to be included in an inventory, which is developed by a public planning process. This inventory is periodically reviewed to see if its use may need to be changed. These steps include improving our overall management by classifying each parcel, based first on any physical limitations or characteristics, and second on public needs and input.

One type of land under Borough ownership is wetland areas. Although some areas may be considered wetland, they can still be used for public recreation activities such as snow machining and dog sledding during the winter months. Some other areas, because of adjacent soils, may be suitable for agricultural uses.

The more sensitive wetland areas have been given a new classification designation – "Wetland Bank Lands." These areas will be used for wetlands mitigation by placing them in a bank so other less sensitive wetland areas can be developed. The benefits are two-fold; the bank will protect and preserve the area and at the same time this "banked" land will offer land owners and developers an opportunity to purchase banked wetlands, which will remain undeveloped. In exchange, the land owner will be able to avoid lengthy and costly mitigation requirements.

Benefits

- "Wetland Bank Lands" are ecologically valuable lands that protect and support fish and wildlife habitat, and water recharge and filtering areas important for human uses.
- Provide a source of revenue (fair market value) for the Borough.
- Streamlines the wetland mitigation process for landowners and developers in the

- Borough, which in turn will allow development to continue in other less sensitive areas.
- Provides outdoor educational opportunities for understanding the role of wetlands in the environment.

Private Property

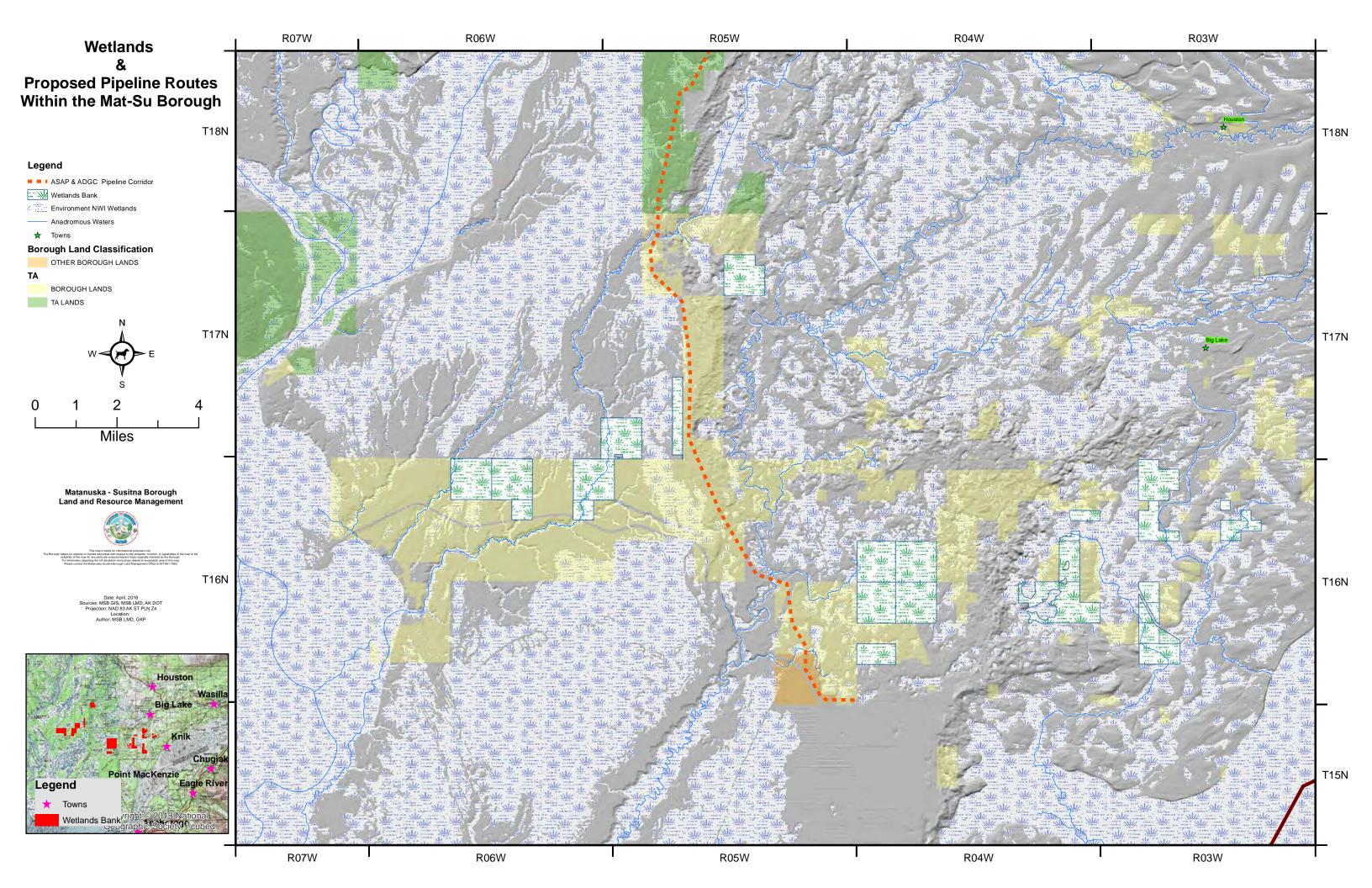
- The "Wetland Bank Lands" classification ONLY applies to land owned by the Mat-Su Borough — it DOES NOT APPLY TO PRIVATE LAND or other public land.
- Some private property will be able to be developed that otherwise could not be by using the mitigation measures provided by the Wetlands Land Bank.
- These classifications will NOT have a negative monetary affect on surrounding land values. The land, however, will provide a buffer or greenbelt that could increase adjacent property extrinsic values.

Status

- The bank and its operation was established in Borough code (23.05.075).
- Su-Knik Mitigation Bank partnered with the Borough and was responsible to create, maintain and manage the wetland bank.
- The Su-Knik Mitigation Bank received approval from U.S. Army Corp of Engineers and the Environmental Protection Agency April 2009 for the umbrella agreement and the Big Lake South project. The Borough entered into a conservation easement grant with Great Land Trust September 2009 for the long term management of the Big Lake South, Fish Creek project (containing approximately 800 acres).
- Authorization to release mitigation credits for the Big Lake South, Fish Creek project was issued by the U.S. Army Corp of Engineers December 4, 2009, for Slope/Flat and Riverine wetland credits.

Contact Information

For more information about "Wetland Bank Lands," visit our Website at www.matsugov.us. Contact us at: ray.nix@matsugov.us or by telephone at (907) 861-7869. Contact Jerome Ryan, Manager, Su-Knik Mitigation Bank directly by phone @ (415) 990-0525 to discuss credit purchases.



Anadromous Streams & Proposed Pipeline Routes Within the Mat-Su Borough

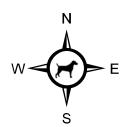
Legend

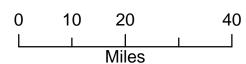
Anadromous Waters Salmon Stocks of Concern
 Anadromous Waters
 ASAP & ADGC Pipeline Corridor

Approximate Route of Crooked Creek Pipeline

MSB Boundary
6 Digit HUCs Effected by Proposed Pipelines

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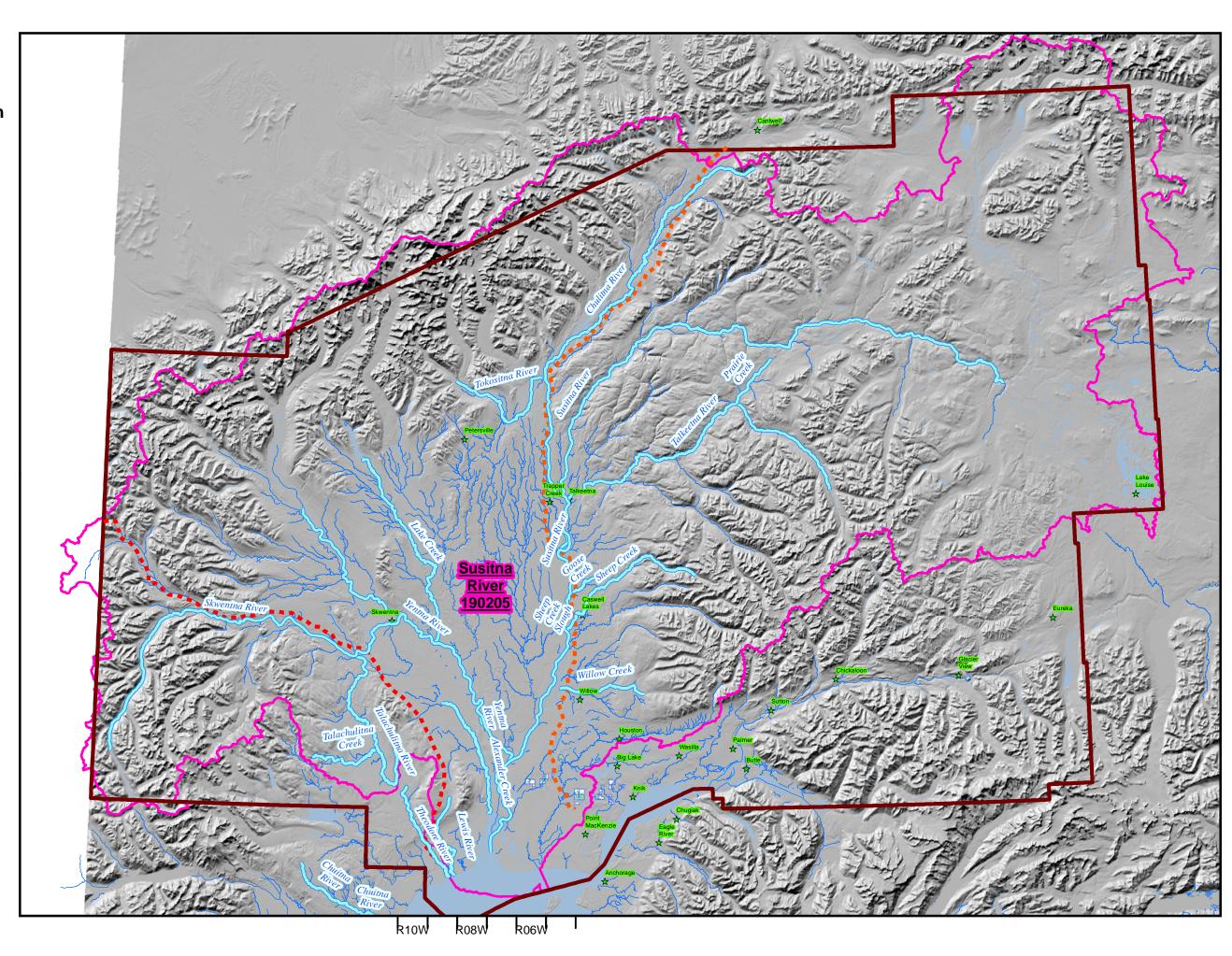
Matanuska - Susitna Borough Land and Resource Management



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Date: April, 2018
Sources: MSB GIS, MSB LMD, AK DOT
Projection: NAD 83 AK ST PLN Z4
Location:



Proposed Pipeline Routes Within the Mat-Su Borough & the Hydrologic Units They Cross

Legend

■ ■ ASAP LNG Pipeline Route

■ ■ Approximate Route of Crooked Creek Pipeline

MSB Boundar

6 Digit HUCs Effected by Proposed Pipelines

8 Digit HUCs Effected by Proposed Pipelines

Chulitna River 19020502

Lower Susitna River 19020505

Talkeetna River 19020503

Upper Susitna River 19020501

Yentna River 19020504

10 Digit HUCs Effected by Proposed Pipelines

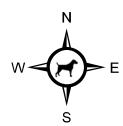
Borough Land Classification

OTHER BOROUGH LANDS

BOROUGH LANDS

TA LANDS

Anadromous Waters





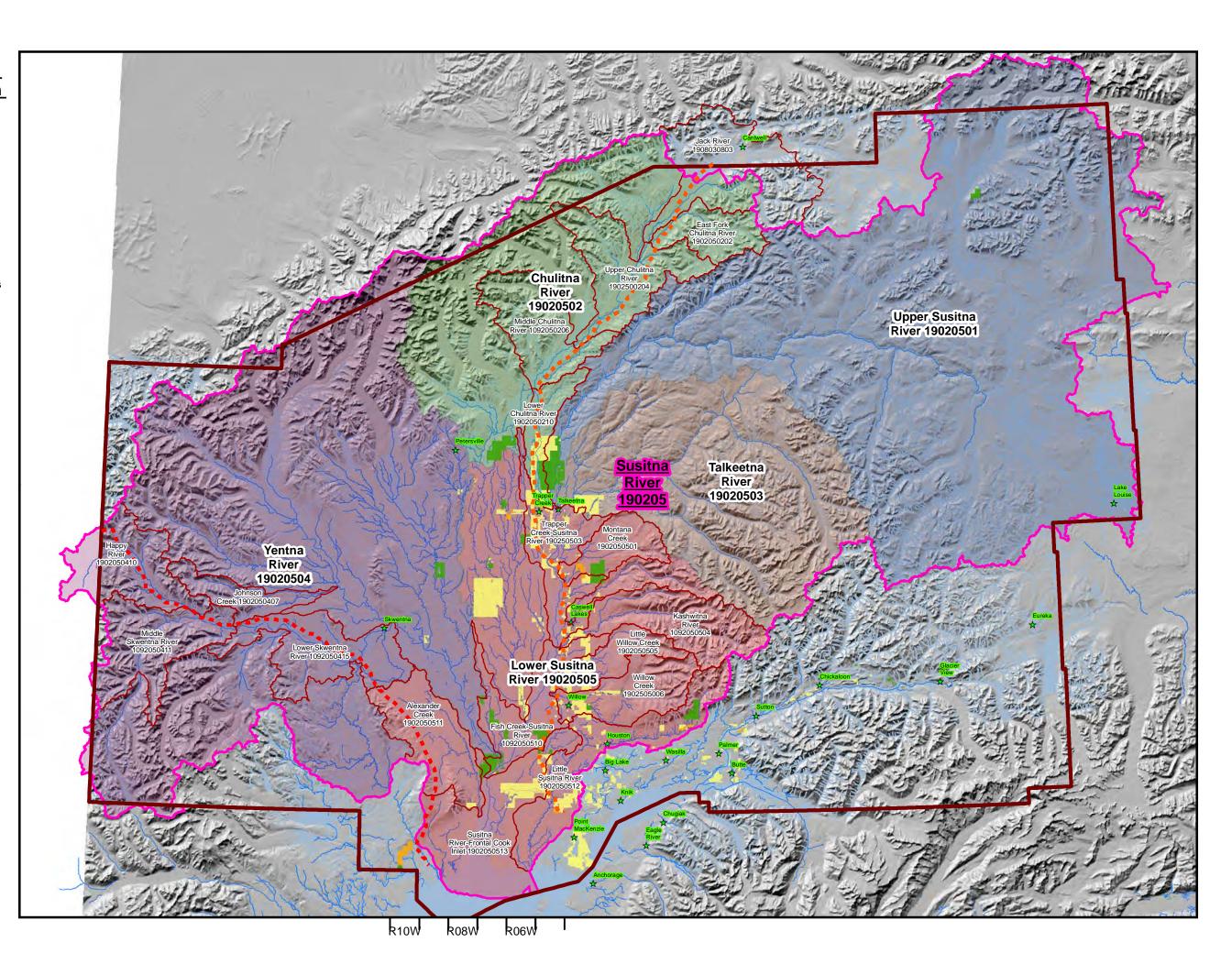
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Matanuska-Susitna Borough

March 6, 2018

USACE Alaska District CEPOA-DE Colonel Michael Brooks, District Engineer PO Box 6898 JBER, Alaska 99506



Re: Donlin Creek Gold Mine Proposed Permittee Responsible Mitigation

Thank you for the opportunity to comment on the Donlin Creek Gold Mine (Donlin) 404 permit (POA-1995-120, Crooked Creek) for the building of the main mine site and support infrastructure, which include the proposed pipeline (pipeline) that will carry natural gas from Cook Inlet to the mine site.

In late December 2017, Donlin submitted their Department of the Army (DA) Permit to the United States Army Corps of Engineers, Alaska District. The DA permit detailed Donlin's Compensatory Mitigation Plan. The majority of their Compensatory Mitigation Plan does not seem to comply with the compensatory mitigation requirements as set out in the 2008 Final Rule. Specifically, the proposal is ecologically inappropriate since the Permittee-Responsible Mitigation is outside the service area where the impacts occur within the borough boundary.

The Borough and the Su-Knik Mitigation Bank (SKMB) have made available the Borough's most threatened and ecologically, significant wetlands for preservation via inclusion in the SKMB. Currently, over 1,700 credits can be made available (600 are on the Ledger and 1100 can be placed on the Ledger with the recording of the already negotiated conservation easements). The borough is the fastest growing area in Alaska with approximately an eighth of the state's population, and it is the main recreational area for the inhabitants of Anchorage. The borough is ranked by the National Fish Habitat Partnership (NFHP) as a "high" risk of habitat degradation and three of the five rivers listed as Waters to Watch in Alaska are all in, or near the Borough. This is clear evidence that the historical wetland impacts have already surpassed the point of where any future impacts being considered are merely "cumulative," and further proof that the ecological health of the borough is on a sharp, downward trajectory.

It is important to note that the pipeline will traverse 40 miles through the SKMB primary service area (HUC19020505) and 75 miles of the SKMB secondary service area (HUC 190205) and will affect many of the anadromous streams and watersheds within with the ecoregion utilized by residents and non-residents alike. A large portion of the Susitna Ecoregion is within the borough boundary and the SKMB Umbrella Agreement approved by the USACE Alaska District in February

2009. This area is where many of the proposed impacts from the pipeline and infrastructure are to occur. The fact that the project actually crosses the SKMB service areas (both Primary and Secondary) for 115 miles also allows for impacts to the entire project to be mitigated with SKMB credits if they are deemed most ecologically beneficial (the concept of "linear impacts").

The Borough owns few, if any, mineral resources within its borders, but it does have an abundance of waters, rivers, streams, wetlands, marshes, bogs, and other aquatic resources. These aquatic resources provide an economic, hunting, fishing, hiking, motoring, tourist, environmental and personal quality of life, and well-being essential to the residents of the borough and state.

The Borough would like to ensure that the Corps follows these three important guidelines defined in the 2008 Final Rule as it performs its review of appropriate compensatory mitigation options for the Donlin project.

- 1. Compensatory mitigation banks are preferred as the first choice for providing compensatory mitigation for wetland impacts. The most appropriate choice for wetland impact compensation from the Donlin mine project and their impacts of the pipeline within the service area of the SKMB would be the credits from the SKMB, or another compensatory mitigation bank within the service area. The rule states "When permitted impacts are located within the service area of an approved mitigation bank, and the bank has the appropriate number and resource type of credits available, the permittee's compensatory mitigation requirements may be met by securing those credits from the sponsor." Furthermore, "...the district engineer should give preference [over permittee-responsible mitigation] to the use of mitigation bank credits when these considerations are applicable."
- 2. Compensatory mitigation banks that are located in the watershed where the impacts occur are the first choice for providing compensatory mitigation for wetland impacts. Donlin proposes Permittee Responsible Mitigation (PRM) to compensate for all impacts, including impacts from pipeline construction that occur in the SKMB service area watershed located within the borough boundaries. The rule states that "Site selection is a primary consideration for compensatory mitigation projects and district engineers will evaluate proposed mitigation projects, including mitigation banks, using the watershed approach to ensure that they contribute to the functions and sustainability of aquatic resources within a watershed."
- Permittee-responsible mitigation requires special conditions.
 The Rule requires proponents of permittee-responsible mitigation, to produce the following:
 - Indicate the party or parties responsible for the implementation.

- Include an explanation of how the compensatory mitigation project will provide the required compensation for unavoidable impacts to aquatic resources resulting from the permitted activity within the same watershed.
- Produce a mitigation plan approved by the district engineer that includes objectives, performance standards, long-term management and protection, and monitoring required for the compensatory mitigation project, and required financial assurances or long-term management provisions.

As you know, the purpose of the Clean Water Act (Act) is to stop, and to then reverse the loss of wetlands and other aquatic resources in the United States—and to preserve the aquatic resources that are left. The Act does this by requiring that a person who proposes to impact a wetland or other aquatic resource must *avoid* the damage that can be avoided, must *minimize* the impact that cannot be avoided, and *must compensate* for the impacts on those aquatic resources that cannot be avoided or minimized.

The Borough is doing all it can realistically and politically to preserve its aquatic resources. The Borough took the first step over 15 years ago when we began the process of creating the Su Knik Mitigation Bank. The Corps continued lack of appropriate enforcement of the Act has been, at the very least, frustrating. If the Corps permits a continued accumulation of impacts to aquatic resources without the required compensatory mitigation (as past practice and as proposed for the Donlin project), the borough's preservation bank is virtually useless and the disappearance of its aquatic resource is inevitable. The Borough acknowledges that different approaches are necessary in parts of the state where urban or industrial development is relatively minimal and/or where enforcement of the Act might create an undue burden on the citizens of Alaska.

Thank you for your time and consideration.

Respectfully,

John M. Moosey Borough Manager

Attachments: Proposed Crooked Creek Pipeline Map

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