

**STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF MINING, LAND AND WATER**

- | | | |
|---|---|--|
| <input checked="" type="checkbox"/> Northern Region
3700 Airport Way
Fairbanks, AK 99709
(907) 451-2740 | <input type="checkbox"/> Southcentral Region
550 W 7th Ave., Suite 900C
Anchorage, AK 99501-3577
(907) 269-8552 | <input type="checkbox"/> Southeast Region
400 Willoughby, #400
Juneau, AK 99801
(907) 465-3400 |
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**MATERIAL SALE CONTRACT
AS 38.05.550 – 38.05.565, AS 38.05.810**

Issuance Date: May 9, 2023

Expiration Date: May 8, 2028

ADL 422115

Under AS 38.05.550-38.05.565 (Disposal of Materials) and AS 38.05.810(a) (Public and Charitable Use) and the regulations implementing these statutes, the State of Alaska, **Department of Natural Resources** (DNR), the seller, whose address is 3700 Airport Way, Fairbanks, Alaska 99709, agrees to sell, and the buyer, State of Alaska, **Department of Transportation and Public Facilities** (DOT&PF), whose address is 2301 Peger Road, Fairbanks, Alaska 99709, agrees to buy the material designated in this contract, subject to the provisions that follow:

1. Description: Location, Material, Quantity, and Price.

(a) The material sale area covered by this contract consists of approximately **20** acres. This area is designated by the boundaries shown on the attached sale area map, which is made a part of this contract, or as designated on the ground by the seller, and described as follows:

Designated Material Site ADL 419609, DOT MS 670-089-2, located at the end of the Central Airstrip in Central, Alaska within Sections 26 and 35, Township 9 North, Range 14 East, Fairbanks Meridian.

(b) The material to be removed and the price are:

<u>Type of Material</u>	<u>No. of Units</u>	<u>Unit Price</u>	<u>Total Price</u>
Sand and Gravel	500,000 cubic yards	\$0.50	\$250,000

2. Payments and Deposits. No part of the materials sold under this contract may be extracted from the sale area by the buyer except in accordance with the following terms:

(a) The buyer shall remit an earnest money deposit in the amount of **\$ N/A** (consistent with 11 AAC 71.045 or 11 AAC 71.065, and no less than \$250) along with the bid for a competitive sale contract or at the time a negotiated sale buyer signs this contract. The seller will retain the deposit to cover administrative costs incurred in offering the material sale, except that if the buyer removes and pays for at least 75% of the material volume covered by this contract, the deposit may be applied, in whole or in part, to the final payment that becomes due under this contract.

(b) Additional periodic installment payments as required in paragraph 2(c) must be made for material extracted as of the date payment becomes due but may not exceed the total purchase price.

(c) Each periodic installment payment becomes **due and payable on December 31 of each year** without prior notice to the buyer, for the value of material extracted during the calendar year of January 1 through December 31. The installment must be based on records required in paragraph 3 of this contract and must be submitted to the seller no later than the fifth working day following the date the installment is due.

(d) **An annual report is due by December 31 of each year**, without prior notice to the buyer that details the volume of material removed during the calendar year of January 1 through December 31 and must be submitted to the seller no later than the fifth working day following the date the installment is due. This report shall be filed regardless of whether material was removed during the reporting period. Failure to file the report by the deadline may result in suspension of the contract and financial penalties. A final accounting and payment for material removed, and a completion statement, must be submitted no later than 30 days following contract completion, or when the contractor has completed removal under the contract, or following termination of the contract by the seller or by operation of law. Whether completion is satisfactory will be decided by the Director of the Division of Mining, Land & Water (DMLW) within 45 days after receiving the final accounting report and completion statement.

(e) If the buyer fails to make a payment provided for in this contract, the seller may, under paragraph 8(b) of this contract, order all material extraction suspended immediately. Materials extracted by the buyer during any period of suspension are considered taken in trespass and are to be charged to and paid for by the buyer at triple the unit contract price. Resumption of the lawful taking of materials may be authorized, in writing, by the DMLW only after the payments in arrears plus the penalty provided for in paragraph 2(f) have been paid.

(f) Late Payment Penalty will be the greater of either the fee specified in 11 AAC 05.030 or interest at the rate set by AS 45.45.010(a) will be assessed on a past-due account until payment is received by the seller.

(g) All payments and deposits must be remitted to the DMLW and must be made payable to the Alaska Department of Revenue.

(h) The following special provisions also apply to payments and deposits under this contract:

Should the administrative base price be changed during the term of this contract, the new price will be effective and apply to the material remaining to be extracted under this contract as of the effective date of the price adjustment.

Material extraction in excess of the contract amount will be considered taken in trespass and at the discretion of the Director, DMLW, Lands Section, charged to and paid for by the buyer at no less than triple the current unit fair market value as established periodically by the Northern Regional Office or up to three times the pecuniary gain realized by the buyer as a result of the trespass. Said trespass penalties are in addition to any other administrative or legal proceedings imposed by state law.

11 AAC 05.130(e) requires state, federal and local agencies to pay for materials used in constructing, reconstructing or maintaining a public project as follows: 1) no charge for the first 5,000 cy of material to be used on a project (each year of maintenance constitutes a separate project); and 2) material in excess of 5,000 cy will be charged at the unit price listed in the annual base price schedule established under 11 AAC 71.090 (currently \$ 0.50 cy).

3. Method of Volume Determination.

(a) The method of volume determination for purposes of payment under this contract, along with any special provisions applicable to volume determination, is:

(1) Based on a loose cubic yard quantity as determined by an "in-place" measurement multiplied by a factor of 1.3; or,

(2) Based on a loose cubic yard quantity as determined by a daily vehicle count designating type of vehicle and vehicle capacity; or

(3) Based on an industry standard method acceptable to the department.

(i) If the method of volume determination is based on a weight measurement of the extracted material, the buyer must provide to the seller the standard of density and conversion rate from weight to cubic yards.

(b) The buyer shall keep accurate and up-to-date records of all materials extracted. These records are subject to verification by check measure and inspection of the buyer's books by the seller at any time without notice.

(c) All measurements are to be made by or under the direct supervision of buyer personnel acceptable to the seller, including a qualified engineer where the seller deems appropriate, with quantities certified by that person.

4. Operating Requirements.

(a) Boundary Lines and Survey Monuments. No boundary mark of the sale area or any survey line or witness tree for any survey corner or monument may be severed or removed, nor may any survey corner or monument be damaged or destroyed. Any violation of this clause requires the buyer to bear the expense of re-establishing the line, corner, or monument by a registered surveyor in a manner approved by the seller.

(b) Standard of Operations. The buyer shall properly locate the buyer's operations and buyer's improvements within the sale area, and may not commit waste, whether ameliorated or otherwise. In addition to complying with all laws, regulations, ordinances, and orders, the buyer shall maintain the land in a reasonably neat and clean condition. No construction material, fill, waste asphalt, damaged culverts or any other debris shall be stockpiled within pit boundaries. Stockpiled material and/or overburden shall not be placed in wetlands. After completion, expiration, or termination of the contract, the site will be left in a condition that is acceptable to the seller, and reclaimed in accordance with the approved reclamation plan.

(c) Erosion Control and Protection of Waters. Operations in connection with this contract must be conducted so as to avoid damage to streams, lakes, or other waters and land adjacent to them. Vegetation and materials may not be deposited into any stream or other waters. Locations and improvements necessary for stream crossings for haul roads must be approved in advance by the seller. All roads to be abandoned must be treated with measures necessary to prevent erosion in a manner acceptable to the seller. Any damage resulting from failure to perform these requirements must be repaired by the buyer to the satisfaction of the seller. Waters include waters defined in 5 AAC 95.010, Protection of Fish and Game Habitat.

(d) Fire Protection. The buyer shall take all necessary precautions for the prevention of wildfires and is responsible for the suppression, and must bear the suppression costs, of all destructive or uncontrolled fires occurring in or outside the sale area resulting from any of the buyer's operations under this contract. The buyer shall comply with all laws, regulations, and ordinances promulgated by all governmental agencies responsible for fire protection in the area.

(e) Roads. Before constructing any main haul, secondary or spur road across state land, the buyer shall obtain written approval of the proposed location and construction standards of the road from the seller.

(f) Supervision. The buyer shall maintain adequate supervision at all times when operations are in progress to ensure that the provisions of this contract and all applicable federal, state, and local laws, regulations, and ordinances governing the operations are enforced. At all times when operations are in progress, the buyer, or a person authorized by the buyer to assume the responsibilities imposed by this contract, shall be present on the sale area.

(g) Agents. The provisions of this contract apply with equal force upon an agent, employee, or contractor designated by the buyer to perform any of the operations relating to extraction of the materials sold under this contract. The buyer is liable for noncompliance caused by any such agent, employee, or contractor.

(h) Location. The buyer is responsible for the accurate location of operations under this contract, including any survey that may be necessary for accurate location unless otherwise specified in this contract.

(i) Access. The seller makes no representations that it will construct or maintain access to the land. Access over any route not under the seller's control is the responsibility of the buyer. The buyer agrees that any permanent access or right-of-way obtained over privately owned property will provide a permanent easement to the seller.

(j) Mining Reclamation. This contract is subject to the attached approved reclamation plan and/or attached letter of intent under AS 27.19.

(k) Special Provisions. The following special provisions also apply to operations under this contract:

(1) Survey. An as built survey of the material site is not required at this time.

(2) Extraction Area. This contract authorizes removal of material only from the area defined in Section 1(a) of this contract. The buyer is responsible for properly locating the material site and the working limits within that area, as shown on the attached map.

(3) Potential Processing Activities and Other Authorizations. The issuance of this authorization does not alleviate the necessity of the purchaser to obtain authorizations required by other agencies for this activity. Any asphalt processing or related activities and associated structures will not be allowed without prior approval from DNR, the Department of Environmental Conservation (DEC) and other agencies that require authorizations from the buyer.

(4) Water Quality. The buyer shall comply with the State of Alaska water quality standards pursuant to 18 AAC 70, including discharge standards when conducting material washing operations.

(5) Other Authorizations. The issuance of this authorization does not alleviate the necessity of the purchaser to obtain authorizations required by other agencies for this activity.

(6) Alaska Historic Preservation Act. The buyer will consult the Alaska Heritage Resources Survey (907) 269-8721 so that known historic, archaeological and paleontological sites may be avoided. The Alaska Historic Preservation Act (AS 41.35.200) prohibits the appropriation, excavation, removal, injury, or destruction of any state-owned historic, prehistoric (paleontological) or archaeological site without a permit from the commissioner. Should any sites be discovered during the course of field operations, activities that may damage the site will cease and the Office of History and Archaeology in the Division of Parks and Outdoor Recreation (907) 269-8721 and will be notified immediately.

(7) Vehicle Maintenance. Vehicle maintenance will be performed only over an effective impermeable barrier.

(8) Fuel and hazardous substances. No fuel or hazardous substances are to be stored on the subject parcel. Prior written approval from the seller is required for a change in this restriction. Such

approval may include additional operating requirements and a change in the amount required for the performance guarantee. The disposal of hazardous substances or hydrocarbons is prohibited.

(9) Notification. The buyer shall immediately notify DNR and DEC (18 AAC 75.300) by phone, fax and/or email of any unauthorized discharge of oil to water, any discharge of hazardous substance (other than oil), and any discharge of oil greater than 55 gallons to land. Any unauthorized discharge of oil to land greater than 10 gallons but less than 55 gallons must be reported to DEC within 48 hours. Oil discharges to land less than 10 gallons and greater than 1 gallon must be recorded and submitted to DEC in a monthly report. All fires and explosions must also be reported. The DNR spill report number is (907) 451-2739; the email is dnr.nro.spill@alaska.gov. The DEC spill number during normal business hours is (907) 451-2121, outside of normal business hours contact 1 (800) 478-9300; the fax number is (907) 451-2362. DNR and DEC shall be supplied with all follow-up incident reports.

(10) Reclamation. Upon completion, expiration, or termination of the contract, the site will be left in a condition that is acceptable to the DMLW and reclaimed in accordance with the DNR approved Mining and Reclamation plan. Reclamation shall be to the standards of the DMLW and shall include repair of access roads to and within the site, disposal of remaining stockpiles, other procedures that will be used to stabilize and reclaim the area and any other site specific measures that may be necessary. The buyer shall leave all slopes in a safe and stable condition at the end of each season.

(11) SWPPP and APDES. The buyer shall comply with the requirement of the Alaska Pollutant Discharge Elimination System (APDES), and if applicable, to maintain and operate the site in accordance with an approved Storm Water Pollution Prevention Plan (SWPPP).

(12) Invasive Species. The buyer shall implement best management practices for minimizing the introduction and proliferation of invasive plant species, including thoroughly washing equipment prior to use on the material site. This is particularly important for work at material sites adjacent to rivers, where introduced species can be transported downstream and spread throughout areas that would not otherwise be exposed to invasive species.

(13) Coordination. The buyer shall coordinate all operations with the other contractors in the site prior to and during mobilization to ensure access and safety is maintained for all users. If necessary to support the continuation of public or private projects, DNR may provide additional guidance or limitations related to the location and/or timing of extraction activities during the construction season.

(14) Stockpiles. The buyer shall not disturb or remove material from existing stockpiles. Any material extracted by the buyer must be mined according to the approved mining and reclamation plan. Any stockpiles left in the pit by the buyer are the property of the seller unless the buyer receives prior written approval from the seller and, upon approval, purchases the material.

(15) Equipment Storage. The buyer shall remove all machinery, equipment, and other items at the end of each construction season. Prior written approval from the seller is required for a change in this restriction.

(16) Use of Material. This contract authorizes the excavation and use of material for the express purpose of providing material for construction and maintenance of public projects.

(17) Completion Report. A final accounting and payment for material removed and a completion report must be submitted no later than 30 days following contract completion, or following termination of the contract by the seller or by operation of law. The completion report shall include a series of ground level photographs taken before, during, and after the extraction along with a statement confirming:

- i.) compliance with stipulations requiring the removal of personal property, restoration of the extraction area to a clean condition, and reclamation.

- ii.) accuracy of the photographs accompanying the report as depicting the site before extraction, during operations, and after completion and reclamation at the end of each contract period.

Failure to submit a satisfactory report and/or required photographs subjects the site to a field inspection requirement for which the buyer may be assessed, at the Director's discretion, either the actual cost incurred by the Division of Mining, Land & Water, or a minimum of \$500.00. (11 AAC 05.130). Reimbursement for costs for the field inspection under this section may be taken from the performance guaranty.

(18) Project Specific Operating Requirements.

- i) Migratory Birds. Vegetation clearing will follow, within practicable limits, Migratory Bird Treaty Act-based recommendations by USFWS regarding migratory bird nesting and rearing windows, with the net outcome of conducting the majority of clearing activities outside of pre-nesting or post-fledge periods for avian protection.
- ii) Timber Salvage. To reduce bark beetle risk, live white spruce trees greater than four (4) inches in diameter should not be cut/cleared during the bark beetle flight period (May 1-July 31) if possible. White spruce trees/limbs greater than four (4) inches in diameter that are cut/cleared should be processed or otherwise utilized before the next beetle flight period (May 1). "Processed" means chipped; bark removed; or cut, split, and stacked for firewood. Any cut/cleared, unprocessed, white spruce trees/limbs greater than four (4) inches in diameter that will be left onsite shall be cut into logs no more than 15 feet in length and stacked into tight triangular decks of 10-15 logs each. Decks can be placed in the woods, but should be placed away from (not touching) remaining live white spruce trees. To minimize the risk of wildfire, brush and slash less than four (4) inches in diameter shall be disposed of by chipping or lop and scatter techniques. Questions should be directed to the Area Forester at 907-451-2601.
- iii) Eagle Nests. The Bald Eagle and Golden Eagle Protections Act protects eagles from take, as well as disturbance of their nests, roosts, and foraging sites. Projects are responsible for preventing disturbance to eagles and their nests. If an eagle nest is discovered within one-mile of a project site please contact the US Fish & Wildlife Service Regional Office at 907-456-0203.
- iv) Trail Access. Activities related to this material sale should maintain a 25-foot undisturbed, vegetative buffer on the northern and southern edges of the trail, ADL 409468, that runs east/west through the northern part of the designated material site. Location of the trail should be identified on site prior to material extraction. Public access to the trail should be maintained as part of the trail easement.
- v) Cultural Resource. DOT will coordinate with SHPO regarding avoidance of any known cultural or historical locations in the material site. If other mitigation measures are not sufficient, DOT will obtain a cultural resource survey as-needed.
- vi) Crooked Creek. No mining or ground disturbing activities may occur within 100-feet of the ordinary high water mark of Crooked Creek, which runs along the southern boundary of the designated material site.
- vii) Groundwater Level. Pit excavations shall not reach groundwater or cause surface water to pond within the excavated areas so as to not attract birds in proximity of the runway.

5. Indemnity of Seller and Bonding. **Not applicable.**

- (a) The buyer shall indemnify and hold the seller harmless from:

- (1) all claims and demands for loss or damage, including property damage, personal injury, wrongful death, and wage or employment claims, arising out of or in connection with the use or occupancy of the land or operations by the buyer or the buyer's successors, or at the buyer's invitation; and
- (2) any accident or fire on the land; and
- (3) any nuisance on the land; and
- (4) any failure of the buyer to keep the land in a safe and lawful condition consistent with applicable laws, regulations, ordinances, or orders; and
- (5) any assignment, sublease, or conveyance, attempted or successful, by the buyer that is contrary to the provisions of this contract.

The buyer will keep all goods, materials, furniture, fixtures, equipment, machinery, and other property on the land at the buyer's sole risk, and will hold the seller harmless from any claim of loss or damage to them by any cause.

(b) At the seller's discretion, a buyer may be required to file a bond designed to ensure the buyer's performance and to help protect the seller against any liability that may arise as a result of the activities of the buyer. If required, a bond acceptable to the seller in the amount of **\$N/A** must be filed with the seller at the time of execution of this contract to ensure the buyer's performance and financial responsibility.

6. Improvements and Occupancy.

- (a) Any improvements or facilities including crushers, mixing plants, buildings, bridges, roads, etc., constructed by the buyer in connection with this sale and within the sale area must be in accordance with plans approved by the seller.
- (b) The buyer must, within 60 days after contract completion or termination of the contract by the seller or by operation of law, remove the buyer's equipment and other personal property from the sale area. After removal, the buyer must leave the land in a safe and clean condition that is acceptable to the seller. If the buyer can demonstrate undue hardship, the time for removal of the improvements under this paragraph may be extended at the seller's discretion.
- (c) If any of the buyer's property having an appraised value in excess of \$10,000, as determined by the seller, is not removed within the time allowed, that property may, upon 30 days' notice to the buyer, be sold at public auction under the direction of the seller. The proceeds of the sale will inure to the buyer after satisfaction of the expense of the sale and deduction of all amounts then owed to the seller. If there are no other bidders at the sale, the seller may bid on the property, and the seller will acquire all rights, both legal and equitable, that any other purchaser could acquire through a sale and purchase.
- (d) If any of the buyer's property having an appraised value of \$10,000 or less, as determined by the seller, is not removed within the time allowed, title to that property automatically vests in the seller.
- (e) Special provisions. Special provisions applicable to improvements and occupancy under this contract are listed in paragraph 4 of this contract.

7. Inspection.

(a) The seller must be accorded access, at all times, to the sale area and to the books and records of the buyer, the buyer's contractors, and any sub-contractors relating to operations under this contract for purposes of inspection to assure the faithful performance of the provisions of this contract and other lawful requirements.

(b) At all times when construction or operations are in progress, the buyer shall have a representative readily available to the area of operations who is authorized to receive, on behalf of the buyer, any notices and instructions given by the seller in regard to performance under this contract, and to take appropriate action as is required by this contract.

8. Termination and Suspension.

(a) The seller may terminate the buyer's rights under this contract if the buyer breaches the contract and fails to correct this breach within 30 days after written notice of the breach and an opportunity to be heard.

(b) If the buyer fails to comply with any of the provisions of this contract, the seller may shut down the buyer's operations upon issuance of written notice, until corrective action, as specified by the seller in its notice, is taken. If this corrective action is not taken within 30 days after written notice is served upon the buyer, the seller may terminate the contract under paragraph 8(a) of this contract. The buyer's failure to take immediate corrective action when ordered to remedy dangerous conditions or unwarranted damage to natural resources may be corrected by the seller to prevent danger or additional damage. Any cost incurred by the seller as a result of this corrective action, or by the buyer's failure to take corrective action, must be paid by the buyer.

(c) This contract may also be terminated by mutual agreement of both parties on terms agreed to in writing by both parties.

9. Reservations. The seller reserves the right to permit other compatible uses, including the sale of materials, on the land in the sale area if the seller determines that those uses will not unduly impair the buyer's operations under this contract. Under AS 38.05.125 the seller further expressly reserves to itself, and its successors, forever,

(a) all oil, gas, coal, ores, minerals, fissionable materials, geothermal resources, and fossils of every kind, that may be in or upon the land described above, or any part of it; and

(b) the right to explore the land for oil, gas, coal, ores, minerals, fissionable materials, geothermal resources, and fossils; and

(c) the right to enter by itself or its agents, attorneys, and servants on the land, or any part of it, at any time for the purpose of opening, developing, drilling, and working mines or wells on this or other land and taking out and removing from it all oil, gas, coal, ores, minerals, fissionable materials, geothermal resources, and fossils; and

(d) the right by itself or its agents, attorneys, and servants at any time (1) to construct, maintain, and use all buildings, machinery, roads, pipelines, powerlines, and railroads; (2) to sink shafts, drill wells, and remove soil; and (3) to occupy as much of the land as may be necessary or convenient for these purposes; and

(e) generally all rights to and control of the land, that are reasonably necessary or convenient to make beneficial and efficient the complete enjoyment of the property and rights that are expressly reserved.

10. Inclusion of Applicable Laws and Regulations. The buyer shall comply with all laws and regulations applicable to operations under this contract, including the provisions of AS 27.19 and 11 AAC 97 regarding mining reclamation, the provisions of AS 41.15 for wildfire prevention and control, the provisions of AS 38.05.550 - 38.05.565, material sale regulations 11 AAC 71, state fish and game regulations pertaining to the protection of wildlife and wildlife habitat, and state regulations pertaining to safety, sanitation, and the use of explosives. These laws and regulations are, by this reference, made a part of this contract, and a violation of them is cause for termination or suspension of this contract in addition to any penalties prescribed by law. These laws and regulations control if the terms of this contract are in conflict with them in any regard.

11. Assignment. This contract may not be assigned by the buyer without the seller's prior written consent to the assignment.

12. Permits. Any permits necessary for operations under this contract must be obtained by the buyer before commencing those operations.

13. Passage of Title. All right, title and interest in or to any material included in the contract shall remain in the State until it has been paid for; provided, however, that the right, title and interest in or to any material that has been paid for but not removed from the sale area by the buyer within the period of the contract or any extension thereof as provided for in this contract shall vest in the seller.

14. Expiration and Extension. This contract expires on the date stated at the top of the contract unless an extension is granted by the seller in accordance with 11 AAC 71.210 (material sale regulations).

15. Warranties. This sale is made without any warranties, express or implied, as to quantity, quality, merchantability, profitability, or fitness for a particular use, of the material to be extracted from the area under contract.

16. Valid Existing Rights. This contract is entered into and made subject to all valid existing rights, including easements, rights-of-way, reservations, or other interests in land, in existence on the date the contract is entered into.

17. Notices. All notices and other writings required or authorized under this contract must be made by certified mail, postage prepaid, to the parties at the following address:

To the Seller: Alaska Department of Natural Resources
Division of Mining, Land and Water
3700 Airport Way
Fairbanks, Alaska 99709-4699

To the Buyer: Alaska Department of Transportation and Public Facilities
2301 Peger Road
Fairbanks, Alaska 99709

18. Integration and Modification. This contract, including all laws and documents that by reference are incorporated in it or made a part of it, contains the entire agreement between the parties. This contract may not be modified or amended except by a document signed by both parties to this contract. Any amendment or modification that is not in writing, signed by both parties, and notarized is of no legal effect.

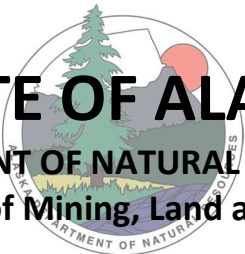
19. Severability of Clauses of Sale Contract. If any provision of this contract is adjudged to be invalid, that judgment does not affect the validity of any other provision of this contract, nor does it constitute any cause of action in favor of either party as against the other.

20. Construction. Words in the singular number include the plural, and words in the plural number include the singular.

21. Headings. The headings of the numbered paragraphs in this contract shall not be considered in construing any provision of this contract.

22. "Extracted," "Extraction". In this contract, use of the terms "extracted" and "extraction" encompasses the severance or removal, as well as extraction, by the buyer of any materials covered by this contract.

23. Waiver. No agent, representative or employee of the seller has authority to waive any provision of this contract unless expressly authorized to do so in writing by the director of the DMLW.



STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

Division of Mining, Land and Water

Northern Regional Land Office
 3700 Airport Way
 Fairbanks, AK 99709-4699
 (907) 451-2740
nro.lands@alaska.gov

Southcentral Regional Land Office
 550 West 7th Ave, Suite 900C
 Anchorage, AK 99501-3577
 (907) 269-8503
dnr.pic@alaska.gov

Southeast Regional Land Office
 P. O. Box 111020
 Juneau, AK 99811-1020
 (907) 465-3400
sero@alaska.gov

Statewide TTY – 771 for Alaska Relay or 1-800-770-8973

MATERIAL SITE RECLAMATION PLAN OR LETTER OF INTENT/ANNUAL RECLAMATION STATEMENT AS 27.19.030 – 27.19.050

In accordance with Alaska Statute 27.19, reclamation is required of all mining operations, including sand and gravel extraction. Completion of this form will meet the law's requirements for a **reclamation plan** (see below for filing requirements; due date: at least 45 days before mining is proposed to begin; requires approval by the Division of Mining, Land and Water). Completion of this form will also serve as a **letter of intent** for operations exempt from the plan requirement (due date: before mining begins). No approval is required for a letter of intent, but a miner who files a letter of intent must, before December 31, file an **annual reclamation statement** (Section 8 of this form).

Check applicable box:

- A. RECLAMATION PLAN (REQUIRED if the operation will disturb five or more acres this year, OR 50,000 cubic yards, OR if the operation has a cumulative disturbed area of five or more acres)
- B. RECLAMATION PLAN-VOLUNTARY (for an operation below the limits shown in Box A but wanting to qualify for the statewide bonding pool)

- C. LETTER OF INTENT (less than five acres to be disturbed AND less than 50,000 cubic yards AND less than five acres unreclaimed area) NOTE: A miner who files a letter of intent is also required to file an annual reclamation statement at the end of the year.

THIS RECLAMATION PLAN/LETTER OF INTENT IS FOR CALENDAR YEAR 2023 -2028
 (If you checked either box a or b above and propose a multi-year plan, state all years covered.)

1. **MINER INFORMATION** (If there is more than one miner, attach a list of the names, addresses, and telephone numbers of all other owners, operators, or leaseholders of the mining operation)

Dept. of Transportation and Public Facilities

Name of miner who will serve as agent for notice purposes
 2301 Peger Rd

Address (notify the department of any later change of address)

Fairbanks	AK	99709	907 451-5425
City	State	Zip code	Telephone

Dept. of Natural Resources - MLW

Name of landowner (if other than miner) or public land management agency
 MMS# 419036

Federal or state casefile number (if any) assigned to the site

2. LEGAL DESCRIPTION OF PROPOSED MINING SITE

Sections 26 & 35	9N	14E	Fairbanks
Legal Subdivision/Section/Quarter-Section	Township	Range	Meridian

3. **DESCRIPTION OF THE MINING OPERATION** (if you checked box a or b on p. 1 of this form and are proposing a multi-year reclamation plan, attach separate sheets as needed showing acreage to be mined, volume to be mined, and existing acreage of mined area for each year covered by the plan)

- a. 20< Total acreage to be mined or disturbed during the year.
- b. As Needed Estimated total volume to be mined or disturbed, including overburden.
- c. Sand and Gravel Type of material (sand, gravel, peat, etc.).
- d. ~15 Existing acreage of mined area (disturbed area that has not yet been reclaimed, but counting only acreage disturbed after October 15, 1991).

4. **DESCRIPTION OF THE RECLAMATION OPERATION**

- a. The total acreage that will be reclaimed during the year (or each year, if for a multi-year reclamation plan) is:
See Attached
- b. Provide a list of equipment (type and quantity) to be used during the reclamation operation.
- c. A time schedule of reclamation measures shall be included as part of the plan.

The following measures must be considered in preparing and implementing the reclamation plan. Please mark those measures appropriate to your reclamation activity:

- Topsoil that is not promptly redistributed to an area being reclaimed will be separated and stockpiled for future use. This material will be protected from erosion and contamination by acidic or toxic materials and preserved in a condition suitable for later use.
- The area will be backfilled, graded and recontoured using strippings, overburden, and topsoil to a condition that allows for the reestablishment of renewable resources on the site within a reasonable period of time. It will be stabilized to a condition that will allow sufficient moisture to be retained for natural revegetation.
- Stockpiled topsoil will be spread over the reclaimed area to promote natural plant growth that can reasonably be expected to revegetate the area within five years.
- Stream channel diversions will be relocated to a stable location in the flood plain.
- Exploration trenches or pits will be backfilled. Brush piles, vegetation, topsoil, and other organics will be spread on the backfilled surface to inhibit erosion and promote natural revegetation.
- All buildings and structures constructed, used, or improved on land owned by the State of Alaska will be removed, dismantled, or otherwise properly disposed of at the completion of the mining operation.
- Any roads, airstrips or other facilities constructed to provide access to the mining operation shall be reclaimed (unless otherwise authorized) and included in the reclamation plan.
- Peat and topsoil mine operations shall ensure a minimum of two inches of suitable growing medium is left or replaced on the site upon completion of the reclamation activity.
- If extraction occurs within a flood plain, the reclamation activity shall reestablish a stable bed and bank profile such that river currents will not be altered and erosion and deposition patterns will not change.

NOTE: If you propose to use reclamation measures other than those shown above, or if the private landowner or public land manager of the site requires you to use stricter reclamation measures than those shown above, attach a list of those measures to this plan.

5. ALTERNATE POST-MINING LAND USE

- The mining site is public land. The land management agency's land use plan (if any) for post-mining land use is:

The mining site is public land. As allowed by AS 27.19.030(b), I propose to reclaim it to the following post-mining land use:

-
- The mining site is private property. The private landowner plans to use it for the following post-mining land use:
-

6. ATTACHMENTS

- If the mining operation has additional owners, operators, or leaseholders not shown on p. 1 of this form, attach a list of their names, addresses, and telephone numbers.
- Attach a USGS map at a scale no smaller than 1:63,360 (inch to the mile) showing the general vicinity of the mining operation and the specific property to be mined. Option: If you checked Box C on the first page of this form and the mining site is adjacent to an airport or public highway, state the name of the airport or the name and milepost of the public highway.
- Attach a diagram of the mined area (this term includes the extraction site, stockpile sites, overburden disposal sites, stream diversions, settling ponds, etc.) and the mining operation as a whole (this term includes the roads you plan to build, your power lines, support facilities, etc.). Show and state the number of acres to be mined during the year. (If you checked Box A or B on the first page of this form and your plan covers more than one year, show each year's work.) Show the location corners or property boundaries of the site in relation to the reclamation work and any other areas affected by the operation.
- Attach a list of the equipment (type and quantity) to be used during the reclamation activity.
- A time schedule of events must be attached that includes dates and activities related to this reclamation plan.
- If the site is private land not owned by the miner, attach a signed, notarized statement from the landowner indicating the landowner's consent to the operation. The landowner may also use the consent statement to notify the department that the landowner plans a post-mining land use incompatible with natural revegetation and therefore believes that reclamation to the standard of AS 27.19.020 is not feasible.
- For those miners that are required to file an annual reclamation statement, attach photographs and/or videotapes dated and described as to location of the reclamation activity that was completed.
- If you propose to use reclamation measures other than those listed on this form, or if the private landowner or public land manager of the site requires you to use stricter reclamation measures, attach a list of those measures.

7. **RECLAMATION BONDING** (REQUIRED ONLY IF YOU CHECKED BOX A or B ON THE FIRST PAGE OF THIS FORM)


The total acreage of my mining operation that is subject to the bonding requirement for the current year is _____ acres (add acreages stated in Section 3(a) and 3(d) of this form).

The per-acre bond amount is \$750/acre or a total bond amount of \$_____

Please check the appropriate bonding method that you will apply toward this reclamation plan:

- Participation in the statewide bonding pool.
- Posting a corporate surety bond.
- Posting a personal bond accompanied by a letter of credit, certificate of deposit, or a deposit of cash or gold.
- Posting a bond or financial guarantee with another government agency that has jurisdiction over the mining operation, as allowed by a cooperative management agreement between that agency and the Division of Mining, Land and Water.
- Posting a general performance bond with a state agency that meets the requirements of 11 AAC 97.400(4).

The above reclamation plan/letter of intent and all attachments are correct and complete to the best of my knowledge.



Signature of Miner

3/14/2023

Date

AS 27.19.030 and AS 27.19.050 require a miner either to file a reclamation plan for approval or to file a letter of intent followed by an annual reclamation statement. AS 38.05.035(a) authorizes the director to decide what information is needed to process an application for the sale or use of state land and resources. This information is made a part of the state public land records and becomes public information under AS 40.25.110 and 40.25.120 (unless the information qualifies for confidentiality under AS 38.05.035(a)(8) and confidentiality is requested, AS 43.05.230, or AS 45.48). Public information is open to inspection by you or any member of the public. A person who is the subject of the information may challenge its accuracy or completeness under AS 44.99.310, by giving a written description of the challenged information, the changes needed to correct it, and a name and address where the person can be reached. False statements made in an application for a benefit are punishable under AS 11.56.210. In submitting this form, the applicant agrees with the Department to use "electronic" means to conduct "transactions" (as those terms are used in the Uniform Electronic Transactions Act, AS 09.80.010 – AS 09.80.195) that relate to this form and that the Department need not retain the original paper form of this record: the department may retain this record as an electronic record and destroy the original. In submitting this form, the applicant certifies that he or she has not changed the original text of the form or any attached documents provided by the Division.

8. **ANNUAL RECLAMATION STATEMENT—REQUIRED** IF YOU FILED A LETTER OF INTENT (CHECKED BOX C ON THE FIRST PAGE) FOR THIS OPERATION. DUE DATE: DECEMBER 31, _____. YOU MUST FILE EVEN IF THE MINING DESCRIBED IN YOUR LETTER OF INTENT DID NOT TAKE PLACE.

This _____ annual reclamation statement is for:
(year)

- a. _____ Total acreage mined.
- b. _____ Total volume mined or disturbed, including overburden.
- c. _____ Total acreage reclaimed.
- d. _____ Cumulative total of unreclaimed acreage.
- e. Reclamation measures that were used (check appropriate measures from Section 4, DESCRIPTION OF THE RECLAMATION OPERATION, and attach list of additional or stricter measures if applicable).

The above annual reclamation statement and all attachments are correct and complete to the best of my knowledge.

Signature of Miner

Date

AS 27.19.030 and AS 27.19.050 require a miner either to file a reclamation plan for approval or to file a letter of intent followed by an annual reclamation statement. AS 38.05.035(a) authorizes the director to decide what information is needed to process an application for the sale or use of state land and resources. This information is made a part of the state public land records and becomes public information under AS 40.25.110 and 40.25.120 (unless the information qualifies for confidentiality under AS 38.05.035(a)(8) and confidentiality is requested, AS 43.05.230, or AS 45.48). Public information is open to inspection by you or any member of the public. A person who is the subject of the information may challenge its accuracy or completeness under AS 44.99.310, by giving a written description of the challenged information, the changes needed to correct it, and a name and address where the person can be reached. False statements made in an application for a benefit are punishable under AS 11.56.210. In submitting this form, the applicant agrees with the Department to use "electronic" means to conduct "transactions" (as those terms are used in the Uniform Electronic Transactions Act, AS 09.80.010 – AS 09.80.195) that relate to this form and that the Department need not retain the original paper form of this record: the department may retain this record as an electronic record and destroy the original. In submitting this form, the applicant certifies that he or she has not changed the original text of the form or any attached documents provided by the Division.

Non-refundable filing fee for reclamation plan: See current Director's Fee Order for applicable fees.

For Department Use Only
Application received date stamp

Receipt Type: 17

**State of Alaska
Department of Transportation & Public Facilities**

**Mining and Reclamation Guidelines
Material Site 670-089-2
Central, Alaska**

These guidelines are subject to the Alaska Department of Natural Resources (DNR) Material Sale Contract, ADL 419036, and stipulations contained therein.

Legal Description

Within the S¹/₂S¹/₂ of Section 26 and N¹/₂N¹/₂ of Section 35, T9N, R14E, FM.

General Information

This material site is located east of the Central Airport runway at Mile 128 Steese Highway. There is an improved dirt road from the Steese Highway to the material site along the north side of the air strip on the airport property.

The material consists of alluvial sand and gravel with silt and cobbles. The site has provided borrow and high quality crushed aggregate for construction and maintenance projects on the Steese Highway since the 1970's. Conventional excavation methods can be used.

DOT&PF conducted exploratory drilling in 1988. Vegetation consists of spruce, birch and cottonwood trees up to 20-inch diameter. Silt to silty sand overburden generally ranged from 1 to 5 feet thick. Groundwater was intercepted in some areas at depths of 6 to 9 feet. Permafrost was sporadic. Additional site information is available at the DOT&PF Materials office, 2301 Peger Road, Fairbanks, Alaska 99709.

Work Pad

Access to the material site and a work pad will remain at the end of individual projects for future use for crushing, screening and stockpiling material. When possible, this work pad will be at least 5 acres. Once the entire material site is depleted, the work pad and access road will be reclaimed and the pit closed out.

Mining Guidelines

To date, this site has been mined above the water table. There should be sufficient material above the water table to provide the quantities required for the next ten years. Guidelines therefore apply to mining above the water table.

For each new use or project, the user or contractor shall submit a Project Mining and Reclamation Plan to DNR and DOT&PF for approval prior to any mining activities. The Plan will adhere to the following guidelines.

1. Locate and mark material site boundaries prior to breaking ground.
2. Maintain minimum 100-foot buffer along site boundaries. Mark on the ground.
3. Stockpile surface vegetation and organic soils along the perimeter of material site adjacent to buffers for future reclamation.
4. Stockpile overburden separately from vegetation/organics for future reclamation or use directly for reclamation of previously mined areas on the east edge of the site.
5. Do not place organics or overburden piles in future mining area or where it would need to be moved again.
6. Pit perimeter slopes (i.e. adjacent buffers) shall not exceed 3H:1V.
7. Keep pit floor at least 2 feet higher than the water table to keep it in a dry condition.
8. Grade pit floor level or slope gently to the southeast, blend with earlier depth limits.
9. After mining, remove all equipment and man-made debris from the site.
10. All mining and stockpiling activities shall be in accordance with applicable Construction General Permits (CGP) and Storm Water Pollution Prevention Plans (SWPPP)

Reclamation Objectives and Guidelines

The reclamation plan has several objectives:

1. To not disturb previously reclaimed areas.
2. To blend with previous reclamation and surrounding topography.
3. To prevent erosion and sediment transport to surrounding, undisturbed areas.
4. To allow reestablishment of native vegetation and wildlife habitat.
5. To leave the site in a safe condition that does not endanger people or wildlife.
6. To not preclude future development of un-mined areas.

Reclamation activities will include:

1. Grading slopes just inside the perimeter buffers, or where future development is not anticipated at 3H: 1V or flatter.
2. Spread available overburden and then organic material on reclaimed slopes. Contact agencies to determine site-specific seeding and fertilizer requirements.

Project Mining and Reclamation Plan

Prior to use of the site for any project, the contractor or user shall submit a Project Mining and Reclamation Plan, in accordance with A.S. 27.19 and 11 AAC 97 for approval by DNR and ADOT&PF. The Plan describes the proposed plan of operation and shall be in compliance with guidelines listed here. Upon approval, the Plan will be followed by the contractor or user and if applicable, the DOT Project Engineer. The plan should include the following:

Sketch Map

The sketch map shall include:

1. Site boundaries, buffers and access
2. Proposed working limits, to be marked on the ground
3. Organic debris and overburden stockpile areas
4. Work pad, material stockpile locations, processing facilities or weigh scales.
5. Scale of drawing, north arrow, and specific dimensions as appropriate

Narrative

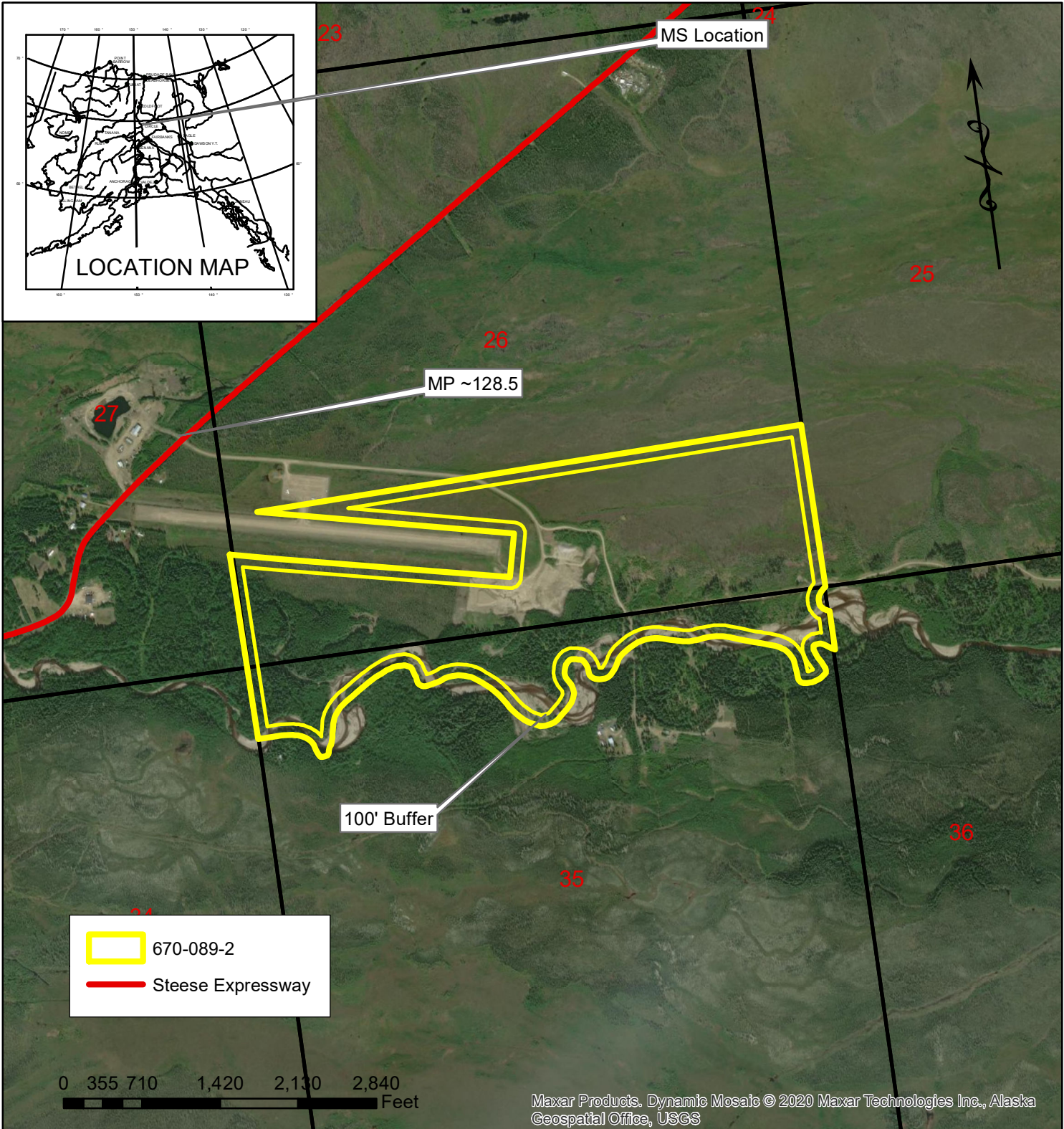
The narrative shall include:

1. Methods of operation
2. Length and times of operation (day, month, year, and working hours)
3. Estimated quantities to be removed
4. Air and water pollution control measures
5. Reclamation measures

Supplements and amendments

Supplements and amendments to an approved mining and reclamation plan may be initiated by the contractor, user or the Project Engineer, when conditions warrant such action. Supplements and amendments must be mutually agreed upon and proper approval obtained prior to commencement of work of a changed nature.

1. Minor changes are those that affect details of the operation, but remain in compliance with the development guidelines. These changes may be authorized by the Project Engineer.
2. Major changes are those which cause the final outcome of the site to be significantly different from the approved mining and reclamation plan or are not in compliance with the development guidelines. These require coordination with appropriate regulatory agencies prior to approval by the Engineer.



M.S. 670-089-2

T9N, R14E FM

Section 26: S1/2S1/2
Section 35: N1/2N1/2

STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES

MATERIAL SITE PLAN

M.S. 670-089-2

NORTHERN REGION

Date: 3/9/2023

SCALE NTS
DRAWN BY: KAW

Current: ~113 acres

STATEWIDE MATERIAL SITE INVENTORY

MATERIAL SITE
INSPECTION REPORT

Federal Project No. STP-000S(823)
AKSAS Project No. 76149

STEESE EXPRESSWAY/HIGHWAY

MS 670-048-2

June 28, 2015

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LOCATION MAP	2
SITE MAP	3A & 3B
INSPECTION FORM.....	4 thru 10

CATEGORY:

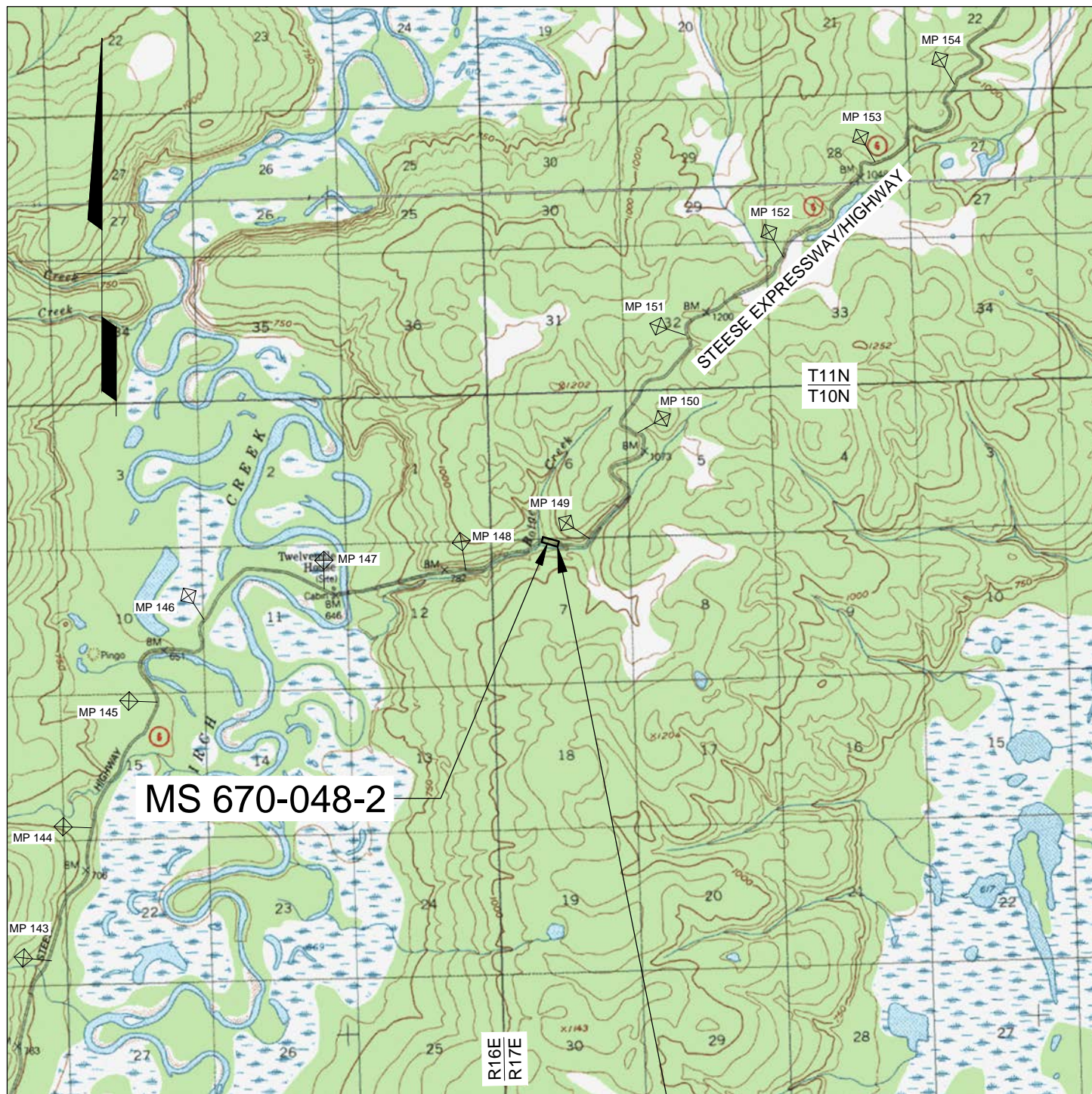
ACTIVE – OPEN

According to information found in the DOT&PF EDMS system in January 2009, Northern Region Material Site Inventory list 000MISC current as of 10-28-2014, and BLM and DNR case file abstracts, this site lies on private lands owned by Danzhit Hanlaih Corporation (surface estate) and Doyon Limited (subsurface estate). The site was originally designated Pit No. 40. In 1961, an indefinite right-of-way grant (F-26318) was issued to DOT&PF by BLM. The land was patented to Danzhit Hanlaih (PA 50-2008-0283) and to Doyon Limited (PA 50-2008-0284) in 2008. The patent was made subject to F-26318 in a decision by BLM. Administration of the right-of-way was waived to Doyon Limited in 1993.

The site adjoins the Steese Expressway/Highway right-of-way and access is directly into the pit from the highway. The site appears to contain significant quantities of sand and gravel and should be retained by DOT&PF for future use. The site does not include all the visible disturbed area and the pit is surrounded by private land. The site limits should

be surveyed prior to further excavation. Part of the pit is within the Steese Highway right-of-way.

LOCATION MAP



U.S.G.S. QUADRANGLE: CIRCLE (C-1) & (D-1)

GPS COORDINATES FROM GOOGLE EARTH

UTM (WGS84-METERS)
 ZONE 6: N7,290,817 E624,572
 AK STATE PLANE (NAD83-US SURVEY FT)
 ZONE 3: N4,284,997 E1,898,703

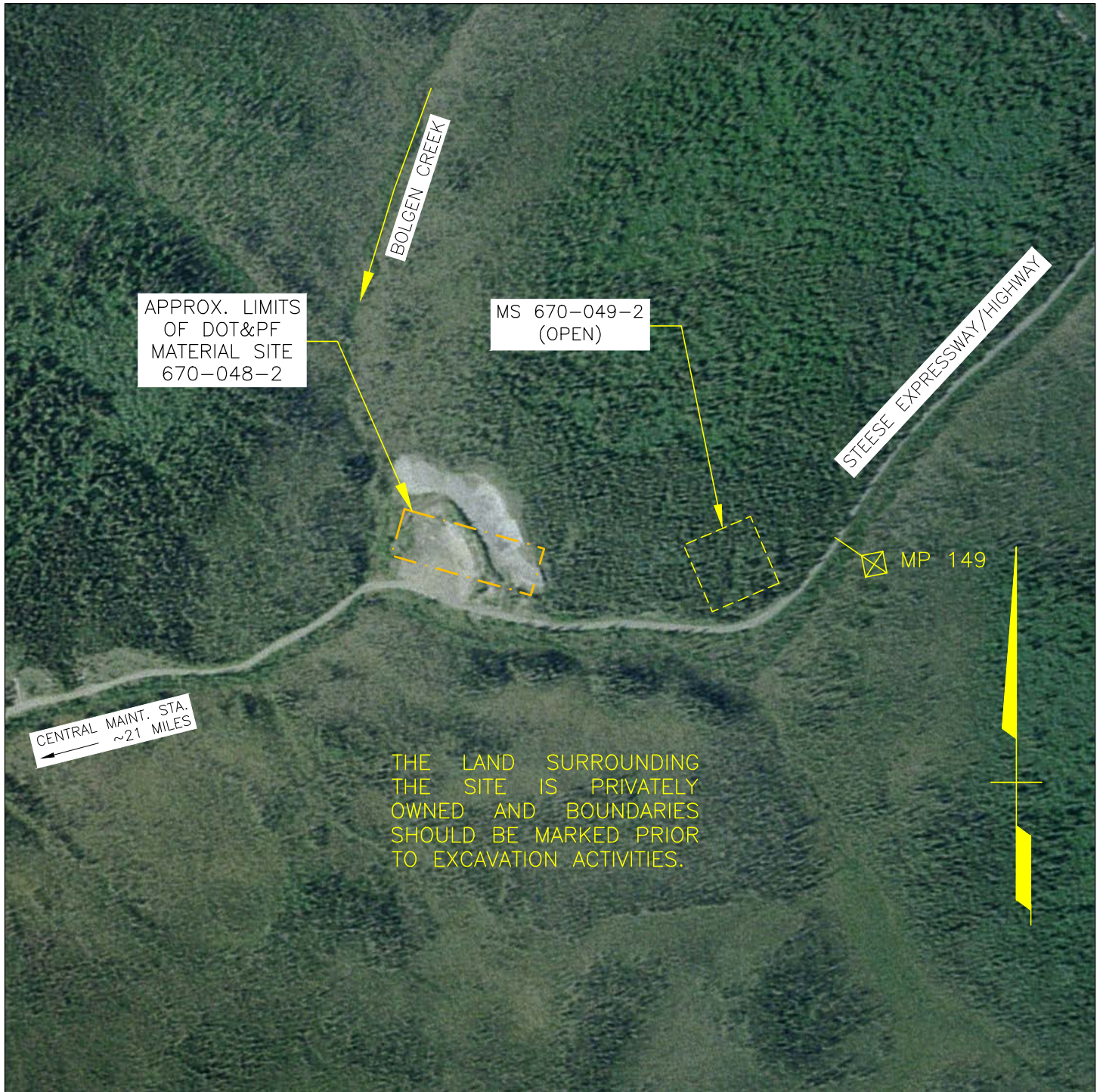
ACTIVE - OPEN



GRAPHIC SCALE IN MILES

STATE OF ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES			
STATEWIDE MATERIAL SITE INVENTORY			
MS 670-048-2			
SCALE AS SHOWN	DESIGNED CHECKED	K.G.T C.H.R.	DRAWN DATE
		K.G.T MAR. 2014	PAGE 2

SITE MAP



BASE MAP IS JUNE 14, 2008 AERIAL PHOTOGRAPHY. THIS IS A PLANNING DOCUMENT ONLY. THE MATERIAL SITE BOUNDARIES SHOWN ON THIS DRAWING ARE APPROXIMATE. OWNERSHIP OF THE LANDS ADJACENT TO THIS SITE ARE UNKNOWN. THE ACCESS ROW SHOULD BE VERIFIED.

ACTIVE - OPEN



BASE MAP FROM SDMI 2/28/14

Prepared By:
R&M CONSULTANTS, INC.

STATE OF ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES			
STATEWIDE MATERIAL SITE INVENTORY			
MS 670-048-2			
SCALE	DESIGNED	DRAWN	PAGE
AS SHOWN	K.G.T.	K.G.T.	3A
	CHECKED	DATE	
	C.H.R.	MAR 2014	

Z:\project\1443.03\670_Steese_Highway\MS 670-048-2--\acad\MS_Site_Map_670-048-2.dwg

Plotted 6/28/2015 1:48 PM by Pete Hardcastle

SITE MAP



Z:\project\1443.03\670_Steese_Highway\MS 670-048-2-A\acad\MS_Site_Map_670-048-2.dwg

Plotted 6/28/2015 1:47 PM by Pete Hardcastle

BASE MAP IS JUNE 14, 2008 AERIAL PHOTOGRAPHY. THIS IS A PLANNING DOCUMENT ONLY. THE MATERIAL SITE BOUNDARIES SHOWN ON THIS DRAWING ARE APPROXIMATE. OWNERSHIP OF THE LANDS ADJACENT TO THIS SITE ARE UNKNOWN. THE ACCESS ROW SHOULD BE VERIFIED.

ACTIVE - OPEN



BASE MAP FROM SDMI 2/28/14

Prepared By:
R&M CONSULTANTS, INC.

STATE OF ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES			
STATEWIDE MATERIAL SITE INVENTORY MS 670-048-2			
SCALE	DESIGNED	DRAWN	PAGE 3B
AS SHOWN	K.G.T. CHECKED C.H.R.	K.G.T. DATE MAR. 2014	

**STATEWIDE MATERIAL SITE INVENTORY
MATERIAL SITE INSPECTION FORM**

THIS REPORT IS BASED ON A REVIEW OF EXISTING DATA AND BRIEF FIELD INSPECTIONS. THUS THE DATA CONTAINED HEREIN SHOULD BE CONSIDERED PRELIMINARY AND USED FOR PLANNING PURPOSES ONLY. USERS OF THIS DATA SHOULD VERIFY THE INFORMATION PRIOR TO USING IT FOR DESIGN OR CONSTRUCTION PURPOSES.

**IF OTHER IS SELECTED FOR A SECTION, EXPLAIN IT IN SECTION 44. NOTES.
IF AN ANSWER IS UNKNOWN SELECT "UNKNOWN" OR LEAVE BLANK**

1. **MS_ID** 670-048-2
Enter the full material site number e.g.. 31-3-045-2
2. **DATE_INSPECT** 6/24/2014
Date of field inspection
3. **FLD INSPEC_ORG** TREVOR HUDSON / R&M CONSULTANTS
Name of inspector / Organization or Company

4. **REGION** NORTHERN
5. **LOCATION** STEESE EXPRESSWAY/HIGHWAY
Name of Highway Enter Name of Facility or Secondary Route Name (i.e. Kotzebue Airport, Nash Road, etc.)

6. **MILEPOST** 148.5
List the closest main highway milepost

7. **NAME** _____
Enter commonly used name (s), e.g. Hess pit, Gobblers Knob, Midway. List all that apply separated by commas.

8. **MAINT_DIST/STAT** District FAIRBANKS Station CENTRAL
Highway Maintenance District and Station, for locations not on highways select other.

9. **QUAD** CIRCLE C-1
U.S.G.S. Quad. Map

10. **TOWNSHIP/RANGE** T#S R#E T10N R17E & _____ Meridian FM
Section 7

- | | | | |
|---------------------------|---------------|--|---------------|
| 11. COOR_UTM | ZONE <u>6</u> | 12. COOR_STATE_PLANE | ZONE <u>3</u> |
| NORTHING <u>7,290,817</u> | | NORTHING <u>4,284,997</u> | |
| EASTING <u>624,572</u> | | EASTING <u>1,898,703</u> | |
| UTM WGS84 - Meters | | Alaska State Plane NAD83 - Survey Feet | |

13. **BOROUGH/CITY** UNORGANIZED **TAX ID NO.** NA

14. **DNR_LAND_USE_PLAN** NONE

15. **CATEGORY** (To be filled in the office)
- 15a. **CLASSIFICATION** ACTIVE
- 15b. **STATUS** OPEN

**STATEWIDE MATERIAL SITE INVENTORY
MATERIAL SITE INSPECTION FORM**

22. **ACCESS_TYPE** EXISTING ROAD / OPEN

NONE	No access road has been built.
EXISTING ROAD / OPEN	Drivable. May have gate.
EXISTING ROAD / REVEG	Can be reopened with little effort.
EXISTING ROAD / CLOSED W/BERMS	Can be reopened with little effort.
EXISTING ACCESS / REMOVED	Can be reopened with much effort.
SNOW ROAD	Can only be accessed during winter.
ICE ROAD	Requires crossing river or lake ice in the winter.
BARGE	Material can only be moved by barge.
OTHER	The site does not fit any of the categories above. Describe in Section 44, Notes.

23. **ACCESS_LENGTH** 100
Approx. length from edge of pit to highway/secondary route (ft.)

24. **VEGETATION**

Vegetation within the site was very minimal due to clearing and mining of the site. The vegetation that was present mainly surrounded the pit and consisted of small patches of grass and bushes scattered scarcely throughout the site. Also scattered minimally throughout the site are young spruce and aspen trees up to 15 feet in height with 1 to 3-inch diameters. There was no vegetation observed within the pit. All trees surrounding the site limits were burnt from a forest fire.

25. **TYPE_1** BORROW PIT 26. **TYPE_2** _____

Dominant type	Subordinate type
General Types of Materials Available	Enter data in Type_2 only if two types of material site available
QUARRY	Bedrock sources requiring blasting
BORROW PIT	Soils or soft bedrock (rippable), above water table
BAILING	Requires production below the water table
RIVER BAR	Sand/gravel bars in active channels

27. **OB_CLASS_1** 3 TO 6 FT. 28. **OB_CLASS_2** <3 FT.

New Site or expansion Area	Existing Pit (Spoil)
A site may have both. Data should be based on actual subsurface exploration, otherwise unknown.	
Estimated average depth over the area.	
NONE	3 TO 6 FT.
<3 FT.	>6 FT.
	UNKNOWN
	OTHER

29. **OB_TYPE_1** SILT 30. **OB_TYPE_2** SPOIL

New Site or expansion Area	Existing Pit (Spoil)
A site may have both.	
SILT	PEAT
COLLUVIUM	SPOIL
	SOLID WASTE
	UNKNOWN
	OTHER

**STATEWIDE MATERIAL SITE INVENTORY
MATERIAL SITE INSPECTION FORM**

<p>31. MAT_TYPE_1</p> <p>Dominant type</p>	<p><u>FLUVIAL</u></p>	<p>32. MAT_TYPE_2</p> <p>Subordinate type</p>
<p>BEDROCK</p> <p>WEATHER. BEDROCK</p> <p>FLUVIAL</p> <p>GLACIAL</p> <p>COLLUVIAL</p> <p>EOLIAN</p> <p>SILT</p>	<p>Bedrock sources requiring blasting</p> <p>Bedrock sources requiring ripping</p> <p>Water deposited sand and gravel, includes glaciofluvial</p> <p>Glacial till</p> <p>Talus slopes, etc.</p> <p>Sand Dunes, etc.</p> <p>Silt deposits, loess, fluvial, etc.</p>	
<p>33. PERMAFROST_1</p> <p>New Site or Expansion Area</p>	<p><u>UNKNOWN</u></p>	
<p>34. PERMAFROST_2</p> <p>Existing Site</p> <p>DETECTED IN MOST TEST HOLES</p> <p>DETECTED IN SOME TEST HOLES</p> <p>DETECTED IN IMMEDIATE VICINITY</p> <p>DETECTED IN NO TEST HOLES</p> <p>DATA OUTDATED</p> <p>UNKNOWN</p> <p>OTHER</p>	<p><u>UNKNOWN</u></p>	
<p>35. GROUNDWATER</p> <div style="border: 1px solid black; padding: 10px; margin-top: 10px;"> <p>No groundwater was observed during the June, 2014 site investigation. There was evidence of water erosion directly above the pit. The erosion had cut a gully approximately 3-4 feet deep into the hill in the northeast area of the site, and slopes directly toward the pit. The depth to groundwater underlying the pit is unknown.</p> </div>		

**STATEWIDE MATERIAL SITE INVENTORY
MATERIAL SITE INSPECTION FORM**

36. LITHOLOGY_1

FLUVIAL

37. LITHOLOGY_2

Dominant type

Subordinate type

IGNEOUS ROCK GRANITIC DIORITE/GABBRO BASALT GREENSTONE METAMORPHIC ROCK SCHIST/PHYLLITE GNEISS MARBLE CATACLASTIC MÉLANGE SEDIMENTARY ROCK CONGLOMERATE SANDSTONE SHALE/MUDSTONE LIMESTONE FLUVIAL ALLUVIAL GLACIOFLUVIAL GLACIAL COLLUVIAL EOLIAN SILT OTHER	Undifferentiated Igneous Rocks Granite/Monzonite/Granodiorite Diorite/Gabbro Dark colored fine-grained Igneous Rocks Altered Volcanic Rocks w/green tint Undifferentiated Metamorphic Rocks Includes rocks ranging from slate to schist Includes hard schistose rocks Incl. Valdez Formation Rocks, Kenai Penn. Incl. McHugh Formation Rocks, Kenai Penn. Undifferentiated Sedimentary Rocks Includes greywacke, etc. River and stream deposits (floodplain), includes outwash. Alluvial / Debris Fan deposits Eskers, kames, etc. Till Talus, etc. Sand Dunes, etc. Loess, fluvial silts, etc. Explain in Section 44.
--	---

38. MATERIAL CLASSIFICATION

ASTM Classification, generally they should range from coarse to fine.

38a. <u>SP-SM</u>	38c. <u>SP</u>	38e. _____	38g. _____
38b. <u>SM</u>	38d. _____	38f. _____	38h. _____

**STATEWIDE MATERIAL SITE INVENTORY
MATERIAL SITE INSPECTION FORM**

43. RIPRAP

NOT POSSIBLE

Class II or larger. Does not include production for erosion control riprap for ditches or culverts.

PREVIOUS PRODUCTION

There is a record of production.

POSSIBLE FURTHER INVESTIGATION NEEDED

The site is a bedrock quarry containing hard rock

NOT POSSIBLE

The site has soft rock or soil.

UNKNOWN

OTHER

Explain in Section 44, Notes.

44. NOTES

Note number of item being discussed.

STATEWIDE MATERIAL SITE INVENTORY

MATERIAL SITE
INSPECTION REPORT

Federal Project No. STP-000S(823)
AKSAS Project No. 76149

STEESE EXPRESSWAY/HIGHWAY

MS 670-089-2
(MS 670-039-2)
Central Airport Pit

June 25, 2015

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SITE MAP	3A & 3B
INSPECTION FORM.....	4 thru 10

CATEGORY:

ACTIVE – OPEN

According to information found in the DOT&PF EDMS system in January 2009, Northern Region Material Site Inventory list 000ADL current as of 10-28-2014, and BLM and DNR case file abstracts, this site lies on State of Alaska lands managed by DNR. The site is within Sections 26 & 35, T9N, R15E, FM.

In 1970, an indefinite right-of-way grant (FF-11998) for an 18 acre site was issued to DOT&PF by BLM. The site was closed when the case file was transferred to the State of Alaska in 1991. The land was tentatively approved to the State of Alaska in 1980 (FF-43788 / TA 1981-0016) and patented in 2004 (GS 3394 / PA 50-2004-0394).

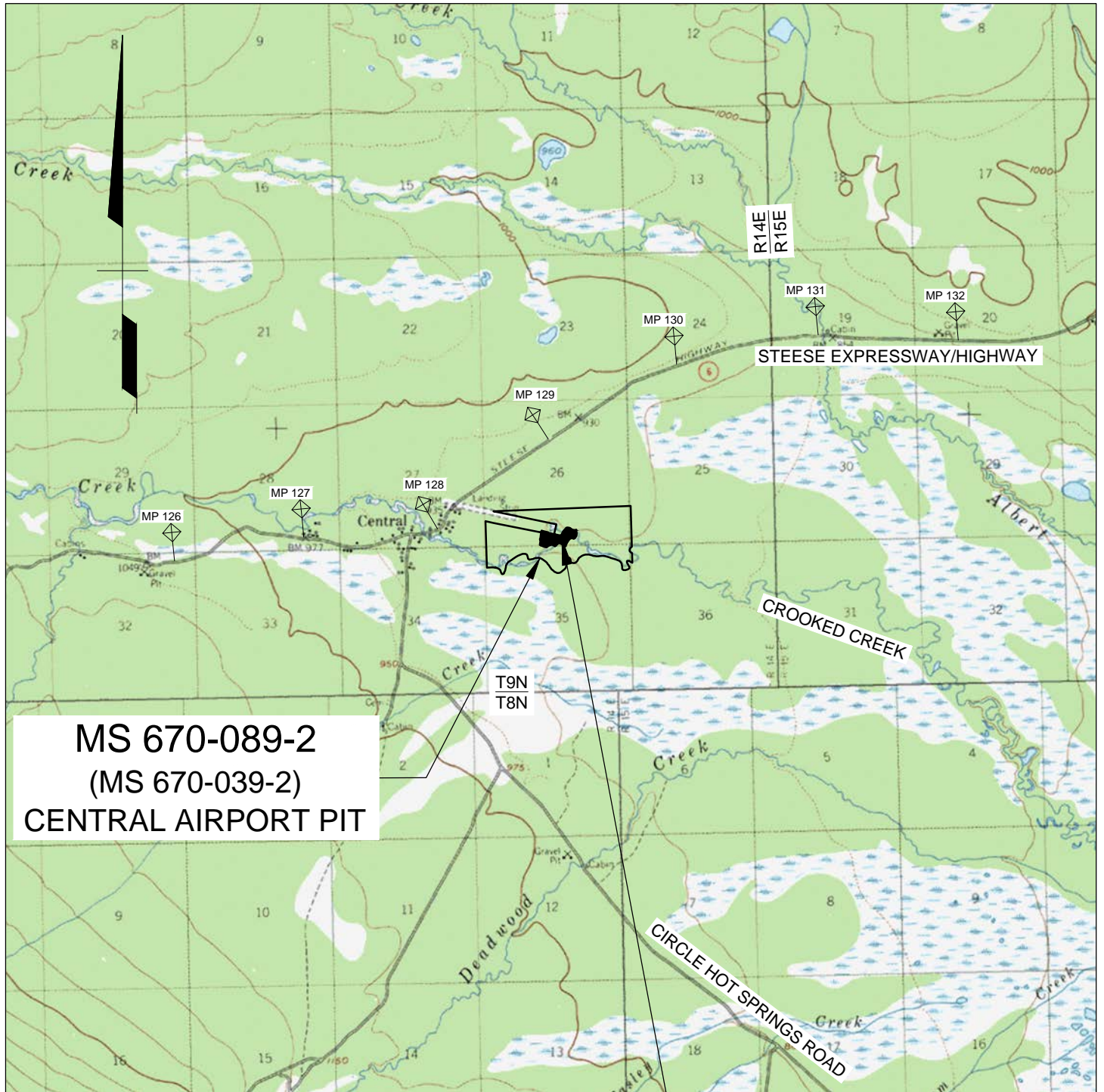
DNR issued a material sale contract to DOT&PF in 1982 (ADL 408710). DOT&PF currently has a material sale contract (ADL 419036) from DNR that expires February 19, 2023.

MS 670-089-2

The site is currently a DMLW Northern Region Office (NRO) Designated Master Material Site (ADL 419609) under AS 38.05.550(b) for the use and operation for the long-term sale and extraction of materials until closed by DNR. It was on the November 29, 2012 list of sites selected for the DNR program.

The site adjoins the Steese Expressway/Highway right-of-way and there is an access road to the pit. The site appears to contain significant quantities of sand and gravel and should be retained by DOT&PF for future use.

LOCATION MAP



**MS 670-089-2
(MS 670-039-2)
CENTRAL AIRPORT PIT**

U.S.G.S. QUADRANGLE: CIRCLE (C-2) & (B-2)

GPS COORDINATES FROM GOOGLE EARTH

UTM (WGS84-METERS)
ZONE 6: N7,273,994 E602,968
AK STATE PLANE (NAD83-US SURVEY FT)
ZONE 3: N4,230,927 E1,826,940

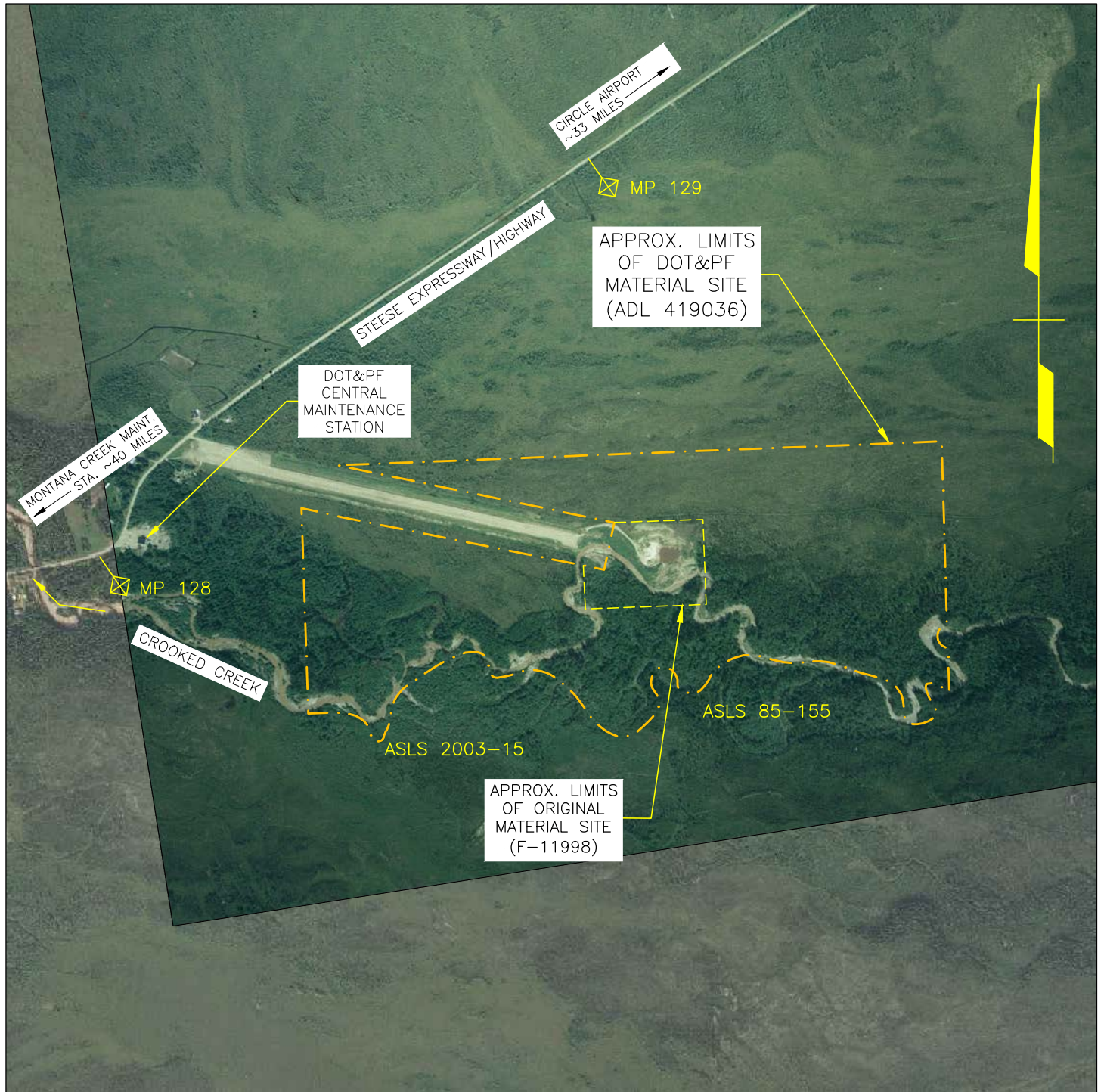
ACTIVE - OPEN



GRAPHIC SCALE IN MILES

STATE OF ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES			
STATEWIDE MATERIAL SITE INVENTORY			
MS 670-089-2			
SCALE AS SHOWN	DESIGNED CHECKED	K.G.T C.H.R.	DRAWN DATE
			K.G.T MAR. 2014
			PAGE 2

SITE MAP



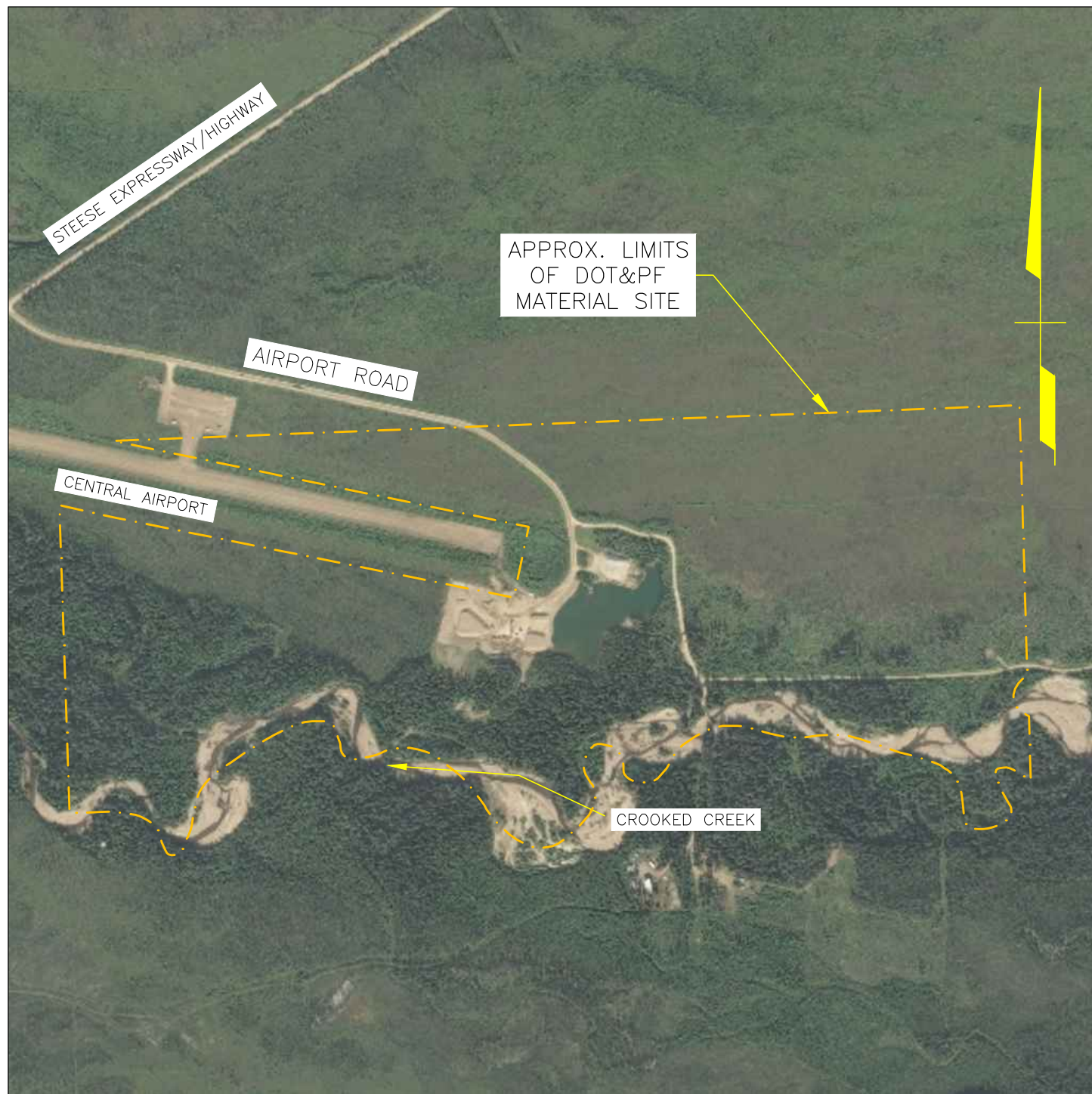
BASE MAP IS JUNE 26, 1982 AERIAL PHOTOGRAPHY. THIS IS A PLANNING DOCUMENT ONLY. THE MATERIAL SITE BOUNDARIES SHOWN ON THIS DRAWING ARE APPROXIMATE. OWNERSHIP OF THE LANDS ADJACENT TO THIS SITE ARE UNKNOWN. THE ACCESS ROW SHOULD BE VERIFIED.

ACTIVE - OPEN



STATE OF ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES			
STATEWIDE MATERIAL SITE INVENTORY MS 670-089-2			
SCALE	DESIGNED	DRAWN	PAGE
AS SHOWN	K.G.T. CHECKED C.H.R.	K.G.T. DATE MAR. 2014	3A

SITE MAP



BASE MAP IS AUGUST, 2013 BING MAPS AERIAL SATELLITE IMAGERY.
 THIS IS A PLANNING DOCUMENT ONLY. THE MATERIAL SITE BOUNDARIES SHOWN ON THIS
 DRAWING ARE APPROXIMATE. OWNERSHIP OF THE LANDS ADJACENT TO THIS SITE ARE
 UNKNOWN. THE ACCESS ROW SHOULD BE VERIFIED.

ACTIVE - OPEN

0 400 800 1600 2400



GRAPHIC SCALE IN FEET

STATE OF ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES			
STATEWIDE MATERIAL SITE INVENTORY MS 670-089-2			
SCALE	DESIGNED	DRAWN	PAGE
AS SHOWN	K.G.T.	K.G.T.	3B
	CHECKED	DATE	
	C.H.R.	MAR. 2014	

**STATEWIDE MATERIAL SITE INVENTORY
MATERIAL SITE INSPECTION FORM**

THIS REPORT IS BASED ON A REVIEW OF EXISTING DATA AND BRIEF FIELD INSPECTIONS. THUS THE DATA CONTAINED HEREIN SHOULD BE CONSIDERED PRELIMINARY AND USED FOR PLANNING PURPOSES ONLY. USERS OF THIS DATA SHOULD VERIFY THE INFORMATION PRIOR TO USING IT FOR DESIGN OR CONSTRUCTION PURPOSES.

**IF OTHER IS SELECTED FOR A SECTION, EXPLAIN IT IN SECTION 44. NOTES.
IF AN ANSWER IS UNKNOWN SELECT "UNKNOWN" OR LEAVE BLANK**

1. **MS_ID** 670-089-2
Enter the full material site number e.g.. 31-3-045-2
2. **DATE_INSPECT** 6/25/2014
Date of field inspection
3. **FLD_INSPEC_ORG** KYLE THERRIEN / R&M CONSULTANTS
Name of inspector / Organization or Company

4. **REGION** NORTHERN
5. **LOCATION** STEESE EXPRESSWAY/HIGHWAY CENTRAL AIRPORT ROAD
Name of Highway Enter Name of Facility or Secondary Route Name (i.e. Kotzebue Airport, Nash Road, etc.)
6. **MILEPOST** 128
List the closest main highway milepost
7. **NAME** CENTRAL AIRPORT PIT
Enter commonly used name (s), e.g. Hess pit, Gobblers Knob, Midway. List all that apply separated by commas.
8. **MAINT_DIST/STAT** District FAIRBANKS Station CENTRAL
Highway Maintenance District and Station, for locations not on highways select other.
9. **QUAD** CIRCLE C-2
U.S.G.S. Quad. Map
10. **TOWNSHIP/RANGE** T#S R#E T9N R14E & Meridian FM
Section 26 & 35
11. **COOR_UTM** ZONE 6
NORTHING 7,273,994
EASTING 602,968
UTM WGS84 - Meters
12. **COOR_STATE_PLANE** ZONE 3
NORTHING 4,230,927
EASTING 1,826,940
Alaska State Plane NAD83 - Survey Feet
13. **BOROUGH/CITY** UNORGANIZED **TAX ID NO.** NA
14. **DNR_LAND_USE_PLAN** NONE

15. **CATEGORY** (To be filled in the office)
- 15a. **CLASSIFICATION** ACTIVE
- 15b. **STATUS** OPEN

**STATEWIDE MATERIAL SITE INVENTORY
MATERIAL SITE INSPECTION FORM**

22. **ACCESS_TYPE** EXISTING ROAD / OPEN

- | | |
|--------------------------------|---|
| NONE | No access road has been built. |
| EXISTING ROAD / OPEN | Drivable. May have gate. |
| EXISTING ROAD / REVEG | Can be reopened with little effort. |
| EXISTING ROAD / CLOSED W/BERMS | Can be reopened with little effort. |
| EXISTING ACCESS / REMOVED | Can be reopened with much effort. |
| SNOW ROAD | Can only be accessed during winter. |
| ICE ROAD | Requires crossing river or lake ice in the winter. |
| BARGE | Material can only be moved by barge. |
| OTHER | The site does not fit any of the categories above. Describe in Section 44, Notes. |

23. **ACCESS_LENGTH** 3,400
Approx. length from edge of pit to highway/secondary route (ft.)

24. **VEGETATION**

Vegetation consists of spruce, birch and cottonwood trees up to 20 inches in diameter on 5 to 20-foot centers with heights up to 50 feet.

25. **TYPE_1** BORROW PIT 26. **TYPE_2** BAILING

- | | |
|--------------------------------------|---|
| Dominant type | Subordinate type |
| General Types of Materials Available | Enter data in Type_2 only if two types of material site available |
| QUARRY | Bedrock sources requiring blasting |
| BORROW PIT | Soils or soft bedrock (rippable), above water table |
| BAILING | Requires production below the water table |
| RIVER BAR | Sand/gravel bars in active channels |

27. **OB_CLASS_1** 3 TO 6 FT. 28. **OB_CLASS_2** <3 FT.

- | | |
|---|----------------------|
| New Site or expansion Area | Existing Pit (Spoil) |
| A site may have both. Data should be based on actual subsurface exploration, otherwise unknown. | |
| Estimated average depth over the area. | |
| NONE | 3 TO 6 FT. |
| <3 FT. | >6 FT. |
| | UNKNOWN |
| | OTHER |

29. **OB_TYPE_1** SILT 30. **OB_TYPE_2** SILT

- | | |
|----------------------------|----------------------|
| New Site or expansion Area | Existing Pit (Spoil) |
| A site may have both. | |
| SILT | PEAT |
| COLLUVIUM | SPOIL |
| | SOLID WASTE |
| | UNKNOWN |
| | OTHER |

**STATEWIDE MATERIAL SITE INVENTORY
MATERIAL SITE INSPECTION FORM**

31. MAT_TYPE_1	<u>FLUVIAL</u>	32. MAT_TYPE_2	
Dominant type		Subordinate type	
BEDROCK	Bedrock sources requiring blasting		
WEATHER. BEDROCK	Bedrock sources requiring ripping		
FLUVIAL	Water deposited sand and gravel, includes glaciofluvial		
GLACIAL	Glacial till		
COLLUVIAL	Talus slopes, etc.		
EOLIAN	Sand Dunes, etc.		
SILT	Silt deposits, loess, fluvial, etc.		

33. PERMAFROST_1	<u>UNKNOWN</u>	
New Site or Expansion Area		
34. PERMAFROST_2	<u>DETECTED IN SOME TEST HOLES OR PITS</u>	
Existing Site		
DETECTED IN MOST TEST HOLES		
DETECTED IN SOME TEST HOLES		
DETECTED IN IMMEDIATE VICINITY		
DETECTED IN NO TEST HOLES		
DATA OUTDATED		
UNKNOWN		
OTHER		

35. GROUNDWATER

During the June, 2014 investigation there was ponding water observed in the western area of the pit. Depth of the ponding is unknown.

**STATEWIDE MATERIAL SITE INVENTORY
MATERIAL SITE INSPECTION FORM**

36. LITHOLOGY_1

FLUVIAL

37. LITHOLOGY_2

Dominant type

Subordinate type

IGNEOUS ROCK	Undifferentiated Igneous Rocks
GRANITIC	Granite/Monzonite/Granodiorite
DIORITE/GABBRO	Diorite/Gabbro
BASALT	Dark colored fine-grained Igneous Rocks
GREENSTONE	Altered Volcanic Rocks w/green tint
METAMORPHIC ROCK	Undifferentiated Metamorphic Rocks
SCHIST/PHYLLITE	Includes rocks ranging from slate to schist
GNEISS	Includes hard schistose rocks
MARBLE	
CATACLASTIC	Incl. Valdez Formation Rocks, Kenai Penn.
MÉLANGE	Incl. McHugh Formation Rocks, Kenai Penn.
SEDIMENTARY ROCK	Undifferentiated Sedimentary Rocks
CONGLOMERATE	
SANDSTONE	Includes greywacke, etc.
SHALE/MUDSTONE	
LIMESTONE	
FLUVIAL	River and stream deposits (floodplain), includes outwash.
ALLUVIAL	Alluvial / Debris Fan deposits
GLACIOFLUVIAL	Eskers, kames, etc.
GLACIAL	Till
COLLUVIAL	Talus, etc.
EOLIAN	Sand Dunes, etc.
SILT	Loess, fluvial silts, etc.
OTHER	Explain in Section 44.

38. MATERIAL_CLASSIFICATION

ASTM Classification, generally they should range from coarse to fine.

38a. <u>GP</u>	38c. <u>SP</u>	38e. _____	38g. _____
38b. <u>GP-GM</u>	38d. _____	38f. _____	38h. _____

**STATEWIDE MATERIAL SITE INVENTORY
MATERIAL SITE INSPECTION FORM**

39. COBBLES AND BOULDERS

Test Boring Callout / ASTM Classification, either a. or b. and c. not both (Can use ranges i.e. 0 to 20)

39a. CONTAINS CONTAINS COBBLES AND BOULDERS

39b. Est. % by VOL. _____ (Est. From Visual Observations)

39c. MAX. SIZE (in.) _____ (Observed Size)

40. AGG_TEST_RESULTS

Year of test or report- Test result / Year of test or report- Test Results

40a. SG APP COARSE 1968-2.64, 2.65, 2.66

40b. SG APP FINE 1968- 2.65, 2.67, 2.67

40c. ABSORPTION CRSE _____

40d. ABSORPTION FINE _____

40e. NORDIC ABRASION _____

40f. L.A. ABRASION 1968- 34, 35 / 1983- 35 / 1988- 33, 33, 34, 34, 34, 34, 34, 34, 34, 34, 35, 35, 35, 36

40g. DEGRADATION (T-13) 1983- 52 / 1988- 54, 58, 63, 73, 75, 78, 79, 79, 81, 81, 81, 82, 82, 82

40h. NASO4 LOSS COARSE _____

40i. NASO4 LOSS FINE _____

41. POTENTIAL_USABILITY TYPES A AND B MATERIAL AVAILABLE

Best known potential use of the material, based on records, exploration and laboratory data.

CONCRETE AGGREGATE PRODUCED The site has produced concrete aggregate

PAVING AGGREGATE PRODUCED The site has produced paving aggregate

CRUSHED PRODUCTS PRODUCED Base, Surface Coarse, Subbase, etc. has been produced.

TYPE A AND B MATERIAL AVAILABLE 0 to 10 percent passing 200

TYPE C AVAILABLE Compactable material

TYPE C NOT AVAILABLE Uncompactable material (Lower Kuskokwim and Yukon River, etc.)

UNKNOWN

OTHER Explain in Section 44.

42. SPECIAL_PROBLEMS _____

Special problems encountered or anticipated with use of the material, based on records, exploration and laboratory data.

ORGANIC CONTENT The material is very difficult to compact.

HIGHLY WEATHERED GRAVEL The gravel is highly weathered and may break down when handled.

BREAKS DOWN UNDER USE Material breaks down on grade.

SENSITIVE TO WATER CONTENT Material is sensitive to water content, i.e.. some glacial tills, soft bedrock.

VARIABLE MATERIAL Deposit contains mixture of suitable and unsuitable material.

POSSIBLE CONTAMINATION Site may be contaminated by petroleum products or hazardous materials.

CONTAINS ASBESTOS Site contains naturally occurring asbestos.

POTENTIAL ASBESTOS Site in area where naturally occurring asbestos is mapped.

ACID ROCK DRAINAGE Site contains rock susceptible to producing acid rock drainage.

OTHER Explain in Section 44, Notes.

**STATEWIDE MATERIAL SITE INVENTORY
MATERIAL SITE INSPECTION FORM**

43. RIPRAP

NOT POSSIBLE

Class II or larger. Does not include production for erosion control riprap for ditches or culverts.

PREVIOUS PRODUCTION

There is a record of production.

POSSIBLE FURTHER INVESTIGATION NEEDED

The site is a bedrock quarry containing hard rock

NOT POSSIBLE

The site has soft rock or soil.

UNKNOWN

OTHER

Explain in Section 44, Notes.

44. NOTES

Note number of item being discussed.

MATERIAL SALES AGREEMENT

THIS IS AN AGREEMENT ("Agreement") between Doyon, Limited ("Doyon") and the State of Alaska, Department of Transportation and Public Facilities ("State"), which pertains to the sale of Materials (defined below) currently located in place at mile 148.5 of the Steese Highway, Township 10 North, Range 17 East, Section 7, Fairbanks River Meridian, also known as MS 670-048-2 ("Material Site"). Each party to this Agreement is referred to individually as "Party" and collectively as the "Parties."

RECITALS

Whereas, the United States of America interim conveyed to Doyon, pursuant to Interim Conveyance No. 1162, the subsurface of the Material Site; and

Whereas, State wishes to purchase from Doyon certain Materials located at the Material Site and Doyon is willing to sell certain Materials to State ("Purpose").

CONSIDERATION

For good, valuable and sufficient consideration received and to be received, including the execution of this Agreement and its anticipated performance, the Parties hereby agree as follows.

TERMS & CONDITIONS

1. **TITLE:** Doyon covenants that it has the aforementioned subsurface title to the Material Site, is able to enter into this Agreement and adhere to its provisions, and grants the State quiet enjoyment of the rights provided herein.

2. **MATERIALS:** For purposes of this Agreement, the term "Materials" means sand, rock, earth, and gravel, other than slash and overburden, which is useable for roadwork and removed from the excavated area of the site. It may be "pit run" gravel or "processed materials" and shall include any "reject material" produced.

3. **DEFINITION OF TERMS:** Any other terms used herein and not otherwise defined herein shall have the ordinary meaning attributed to them unless defined in the current edition of the Department of Transportation and Public Facilities' Standard Specifications for Highway Construction as determined on date of execution of this Agreement.¹

4. **PERFORMANCE:** All State rights or duties established in this Agreement may be performed either by State employees, agents, contractors, or subcontractors of the State's designation.

5. **EFFECTIVE DATE:** This Agreement becomes effective on the date its executed by both Doyon and State ("Effective Date").

¹ This document is available for review at:
http://www.dot.state.ak.us/stwddes/dcspsecs/pop_hwyspecs_english.shtml

6. **TERM:** The term of this Agreement ("Term") is from the Effective Date until this Agreement automatically terminates on December 31, 2029, unless the Parties mutually agree, in writing, to extend the Term.

7. **SEVERABILITY OF CLAUSES:** If any provision of this Agreement is ruled invalid, illegal, unconstitutional, or otherwise unenforceable, the remainder of this Agreement shall not be affected by such ruling and shall remain in full force and effect.

8. **JURISDICTION:** This Agreement is governed by the regulations and statutes of the State of Alaska at the time of endorsement and as later adopted. The Parties agree that any action relating to this Agreement may be brought in the courts of the State of Alaska in Fairbanks unless state or federal law requires otherwise.

9. **COMPLETENESS:** This written Agreement constitutes the entire agreement of the Parties and supersedes any prior or unwritten agreements. Amendments or alterations must be in writing and signed by both Parties.

10. **NO PRESUMPTION AGAINST THE DRAFTER:** The Parties have each had the opportunity to review this Agreement and enter into it after due consideration. This Agreement shall be construed and enforced as a mutually prepared document.

11. **WAIVER:** A failure of either Party to insist on compliance with a provision herein does not constitute a waiver of the right to insist upon future compliance.

12. **INDEMINITY:** The Parties acknowledge that the State is self-insured. AS 09.50.250-.270 may provide a basis for Doyon's recovery from State in the event of State negligence or misconduct, subject to the limitation on available funds set forth in AS 37.05.170. In addition, AS 46.03.822(k) may provide a basis for Doyon's recovery from State in the event that State "has caused or contributed to the release or threatened release of a hazardous substance" on Doyon's property. Nothing in this Agreement shall be interpreted as an indemnity, nor does this provision expand, diminish, or alter any rights Doyon may otherwise have under the laws of the State of Alaska.

DOYON AGREES:

13. **PURPOSE:** to the Purpose, as previously defined.

14. **ACCESS:** to allow State to develop the Material Site and work with State and surface owner of the Material Site in furtherance of an access road to the Material Site, which the State agrees to maintain.

15. **EQUIPMENT:** to allow the State to operate and maintain equipment at the Material Site necessary to excavate and/or process Materials within the Material Site.

16. **UNRESTRICTED ACCESS:** to allow the State unrestricted access to any and all stockpiled Materials owned by State at the Material Site.

17. SECURITY: if required to maintain security, install and use gates or access control at all access points to the Material Site.

18. EXCLUSIVE USE OF STOCKPILE: to allow the State to stockpile Materials on the Material Site for the entire Term. Doyon hereby confirms its understanding that during the Term, all Materials stockpiled by State are for "State of Alaska Use Only," and stockpiled Materials are not available for personal use or use by third parties.

19. INTERFERENCE: not to engage in or authorize third parties to engage in activities at the Material Site, which interfere with the State's use pursuant to this Agreement.

20. ADDITIONAL MATERIALS: for the duration of the Term, to allow the State to purchase Materials not mined and stockpiled prior to this Agreement at the royalty rate of \$3.00 per cubic yard. Doyon hereby agrees that all access and storage fees are included in this royalty fee.

STATE AGREES:

21. AMOUNT/PRICE: to pay Doyon a royalty rate of \$3.00 per cubic yard for the purchase of any Materials per paragraph 20 above.

22. MEASUREMENT: to measure Materials for payment as follows:

A. Processed Materials: By average end area (survey of the processed stockpile) or, if requested by Doyon, by an alternative method approved by a State engineer. State hereby agrees to provide Doyon with quantity calculations annually; and,

B. Pit run: By cubic yardage of the individual truck box. The State hereby agrees that the truck count will be provided to Doyon annually.

23. PAYMENT DEADLINE: that payment for Materials shall be made by State to Doyon annually, commencing one year from Effective Date of this Agreement..

24. ACCESS ROAD: to maintain the access road to the Material Site throughout the Term.

25. STOCKPILE: to consult with Doyon about the suitable location for the State's stockpile(s) prior to processing Materials.

26. INSURANCE: to cause its contractors, agents, and subcontractors to procure and maintain general liability insurance, pursuant to terms set forth in Section 103-1.06 (Insurance Requirements) of the 2020 edition of the Alaska Department of Transportation and Public Facilities' Standard Specifications for Highway Construction. All such policies shall name Doyon as an additional insured and any policy shall be considered to be primary and noncontributory to any other insurance carried by Doyon, whether through self-insurance or otherwise; State is responsible for ensuring that all such insurance policies held by agents, contractors, and subcontractors are in force during the Term.


27. ENVIRONMENTAL: to conduct and require its contractors and employees to conduct their operations at the Material Site in a fashion that is consistent with state and federal law, including but not limited to state and federal environmental law and good environmental practices.

28. MINING AND RECLAMATION PLAN: to require its agents, contractors, subcontractors, and employees to develop and submit a mining and reclamation plan ("Plan") to Doyon; no activity shall take place at the Material Site until Doyon approves the Plan in writing; and Doyon may request reasonable amendments to the Plan prior to approval. Such approval by Doyon shall not be unreasonably withheld and shall not be deemed to constitute a representation, warranty, or expression of opinion by Doyon of the safety, legal sufficiency, or ultimate conformity of the Plan with the standards and obligations set forth in this Agreement or pursuant to state or federal law. Each Plan shall have an associated project and timeline for which it is applicable.

The Owner agrees to the terms above.

Dated this 8th day of May, 2024.

ATTEST:

By: 
Molly Redilla
Doyon, Limited
Vice President of Lands

CORPORATE ACKNOWLEDGMENT

STATE OF ALASKA)
 : ss
FOURTH JUDICIAL DISTRICT)

On this 8th day of May, 2024, before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared Molly Redilla, Vice President of Lands of Doyon, Limited, a company, known to me to be the individual who executed the foregoing instrument, and they acknowledged to me that they executed the same as the free and voluntary act of said company, with full authority to do so and with full knowledge of its contents, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year above written.

[NOTARY SEAL]

STATE OF ALASKA
NOTARY PUBLIC
Jeanne Woods



Jeanne Woods
Notary Public in and for the State of Alaska
My Commission Expires: Aug. 1, 2026

CERTIFICATE OF ACCEPTANCE

THIS IS TO CERTIFY that the STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES, acting by and through its Commissioner, hereby accepts for public purposes this temporary interest in real property under the terms described above

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of _____,
2___.

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

By: [Signature]
For the Commissioner

Filed for Record at the
Request of and Return to:

State Business-No Charge