

**Natural Resources Committee**  
**3/6/08**  
**7:30 a.m.**  
**GFCC Conference Room**

**Attendance:** Tom Bundtzen, chair; Bud Fate; Libbie Martin; Jason Turner; Mark Eliot; Cal Skaugstad; Gale Skaugstad; Roger Burggraf; Bill Brophy; David McDowell, Cassie Pinkel, Rhonda Boyles, Dana Novak

1. **Call to Order:** Tom Bundtzen called the meeting to order at 7:30 a.m.
2. **Roll Call for Natural Resource Committee Members.**
3. **Introduction of Guests.**
4. **Review of 2/20/08 Minutes:** Motion to approve: Bill Brophy; second: Bud Fate. Minutes stand approved.
5. **Program:**
  - a. Doyon was supposed to be here today with the program but had to cancel because of town hall in Anchorage.
  - b. Review and discussion of wording for the Resolution opposing “Anti-Mining Initiatives.”
    - i. Did not discuss because the author, Lorna Shaw, was not present at today’s meeting. Still want to get drafted with a whereas on the current water quality laws in Alaska, which are some of the toughest laws in the U. S. Those points need to be made as well as the economic importance of the industry.
    - ii. Important to note that in Superior Court, a judge threw out two of the initiatives; anticipate they will be challenged.
    - iii. As far as program this morning, hoping Lorna would be here. She wrote a resolution for the anti-mining issue discussed before. A local superior judge has thrown those out, but don’t know if that is a done deal. Still want to get resolution drafted, with whereas to talk about water quality laws in Alaska. Are the current laws adequate—strong water quality laws yes. Some of the toughest laws in the U. S.
  - c. Juneau Fly-in
    - i. Discussion: Bud Fate, Roger Burggraf, Tom Bundtzen
      1. On HB 156, taxing of the mining industry—Interior Delegation doesn’t think it will go very far. HB 134 was in the Special Committee on Fisheries, and is now in the Resources Committee in the House, but also don’t think it will go anywhere. The viewpoint on the pipeline is still mixed. Division in philosophies that could lead to litigation or delay. One from Prudhoe to hub in Alberta—physical and economic center. Commoditize the gas as it comes in and bid to highest bidder. Pipe to Valdez only with LNG is questionable because no receiving stations on the pacific coast of U.S—one in Canada and one in Baja California in Mexico. Highly competitive markets in Asia. Or one with 5 outlets for utilization of gas going to the Alberta hub. How this plays out is anybody’s guess. Anybody who wants to make comments about AGIA has until 5 p.m. tomorrow to

make those remarks, then the public comment period is closed. Then the legislature will consider the licensee, which is TransCanada. Then how much allowed to negotiate with the Producers is a question for the future.

2. Feel the meetings were worthwhile, and did have a chance on Thursday to meet with other legislators, and get our message out. Gave Rep. Ralph Samuels given a copy of the McDowell report on mining, and he said they were going to do their own report. Don't think mining tax will pass this year. In the industry is the feeling those initiatives could be deadly to mining in Alaska. Anti-mining groups are spending a lot of money on advertising.
3. The Natural Resources legislative priorities are: timely transition to a natural gas economy; large mine permitting process; and proactive fish and game management, of which the hatchery is part of that.
4. Total amount \$200 million for the crime lab, BIOS, and the UAA building. Trying to combine everything in one big package and float a G. O. bond. Right now everything is in flux.
5. Sen. Thomas does want to see letter of support for SB 229 on the Tanana State Forest
6. In the meeting with the Transportation Commissioner Leo von Scheben, he talked about the shrinking federal dollars for maintaining the road system and that the state has to maintain its own transportation system. No more attractive federal grants or matching funds. Huge focus on maintaining the Dalton Highway. Interested in pioneer roads and improving regional airports—things that can help rural Alaska survive difficult times. Asked Tom to give ideas about what can be done to improve road system between Ruby and Crooked Creek.

**d. Upcoming Program Ideas**

- i. Discussion: Tom Bundtzen, Bud Fate, Roger Burggraf, Rhonda Boyles
- ii. Small farming cooperative group headed by Maria Papp wants to talk to us about marketing potatoes in the Tanana Valley.
- iii. State land disposal programs, and what legislation is affecting those. The state has the least private property ownership than any state in the U. S.
- iv. Dick Bishop mentioned that he would do a program on RS 2477. Also suggestion that Scott Ogen out of Anchorage would have up to date information on access across federal lands.
- v. Propose joint meeting with transportation on DOT priorities.
- vi. Kara Moriarity of AOGA wants to do a program on who the organization represents in large and small companies.
- vii. Doyon would appreciate any comments with regards to the proposed land swap. Would allow Doyon to do drilling and possibly develop a resource. Biggest question raised by those who testified against it at the public meeting here a couple of

weeks ago was that the EIS was inadequate. If you would like to go ahead and add comments to these cards or do a letter, that would be fine.

- viii. The land swap in effect is lands already owned within the Yukon Flats National Wildlife Refuge prior to ANILCA. Trying to make large enough package so they can attract company in to develop commercial quantity of gas if it is large enough for exploration and development. Think fear in the environmental community is that if the project goes through it would be a blueprint to open ANWR. Would like to see support on the preferred alternative in the EIS. Send copy of previous resolution to members of committee. Will have to check on suggestion of sending to Chamber membership.
- ix. Doyon meeting on 12<sup>th</sup>, 13<sup>th</sup> and 14<sup>th</sup>, of March. Announced they will be putting a drill rig on the Nenana Basin this next winter— 2/09.
- x. Suggest FNG giving a presentation on their project. Also quite a few years ago, did a GML program on native corporations in the state. Think would be a good idea to do again. Opening phase 1 of Morris Thompson this summer.

**6. New Business**

- a. On March 19<sup>th</sup>, programs are Brian Barnes to talk about the BIOS building on the campus; and John Davies of CCHRC will be talking about the Susitna Hydro project.