



Photo by Nils Hahn

ROCK CREEK MINE — Construction to Alaska Gold Company's Rock Creek mine is unimpeded after U.S. District Court Judge Ralph Beistline ruled to dismiss a lawsuit brought by Nome residents asking for an Environmental Impact Statement.

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Polar Bear Swim



Photos by George Feldham

NOME VISITOR — (top photo) A polar bear strolled along the beach at Mile 17 near Safety on Thursday, June 7. (center photo) As soon as the bear spotted humans, he made a flying leap into the Bering Sea. (bottom photo) After his escaping from civilization, the bear may try to catch up with the arctic ice pack.

Judge dismisses lawsuit against Army Corps

By Diana Haecker

A U.S. district court judge ruled last Friday to dismiss the lawsuit of the Bering Strait Citizens for Responsible Resource Development, Jana Varrati and Sue Steinacher against the Army Corps of Engineers over the issuance of a wetlands permit for Alaska Gold Company's Rock Creek gold mine. Citing mostly economic reasons, after a hearing last Thursday, US District Court Judge Ralph Beistline denied the plaintiff's motion for a temporary restraining order and a preliminary injunction to stop all construction at the mine site. Beistline also dismissed the entire case, concluding "the permit in question was properly issued."

The plaintiffs contested the legal-

ity of a 404 wetlands permit issued in August 2006, saying that it was issued in violation of the Clean Water Act and the National Environmental Policy Act. The lawsuit was the second filing of the same claim. A first suit brought against the Corps in October 2006 resulted in the Corps' retracting the permit for internal review in December. The permit was modified and reinstated in March 2007. The plaintiffs then filed the second lawsuit.

Beistline's ruling came after a hearing on Thursday, June 6, when three government lawyers from the Department of Law defended the primary defendant, the Army Corps of Engineers. NovaGold Resources

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Council sets mill rate, keeps rein on booze sales

By Sandra L. Medearis

The Nome Common Council Monday night completed the first step in adopting a spending plan for delivering City services, buying supplies, running public buildings and meeting City payrolls for the year beginning July 1.

The panel voted unanimously without discussion to pass a municipal budget for \$9.723 million to second reading and final passage when it meets again in a couple of weeks. That passage seems a formality after Monday night's action that followed only about an hour's

Council discussion in a public work session a week ago. The Council has discussed the municipal budget on other occasions, but in tandem with a record request for funding from Nome Public Schools.

The new municipal budget surpasses last year's by more than a million. City Manager Randy Romenesko, with input from Cussy Kauer, finances officer, made up the budget after talking with department heads in the City administration.

The Council took final action on

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Stray polar bear visits Nome

By Diana Haecker

Exactly two years after a polar bear was seen near the Safety Bridge, two bird-watching visitors were witnesses to a similar sighting in the same vicinity.

George Feldhamer from Carbondale, Illinois and Mark Moilanen from Minneapolis were

driving along the Nome-Council Highway last Thursday morning, when the two birders noticed the lone wanderer walking the beach at mile 17 around 10 a.m.

Feldhamer, a professor of zoology at the Southern Illinois University had no trouble identifying

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•Lawsuit

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Inc. intervened in the lawsuit, bringing two lawyers to testify in Beistline's courtroom.

The plaintiffs were represented by Trustees for Alaska attorney Vicky Clark and the Western Mining Action Project attorney Roger Flynn, telephonically present.

After hearing arguments for 45 minutes from the plaintiffs and over an hour from the defendants, Beistline indicated a quick ruling. On Friday afternoon, the judge handed down his decision to deny the plaintiffs' motion and to dismiss the case altogether.

The 10-page ruling paper includes a brief outline of the standard of review for injunctive relief before arguing that all parties agree that the mining operation in question is located "in mining country" and that the wetlands destroyed for the project are "surrounded by vast areas of pristine wetland that will not be impacted by this mining operation."

The plaintiffs claim that the permit was issued without undertaking an Environmental Impact Study, without providing the public with an EIS to comment on and that surrounding Native Tribal governments were not sufficiently notified. Also, the plaintiffs claim that there was no public examination of alternatives to develop the project.

In his ruling, Judge Beistline wrote, "It also appears that before beginning this venture, Alaska Gold Company went to great lengths to publicize its intentions and to obtain the support of the local community, two Native organizations, as well as state and federal agencies."

Beistline concludes, "As a result, there is considerable public support for this project and a realistic hope for an economic boon to the community."

Beistline found that the Corps considered and addressed the 404 guidelines of the Clean Water Act and that "considerable time, effort and expense was incurred by AGC to minimize the environmental impact of its mining operation."

The judge found that the Corps "properly chose to rely on an Environmental Assessment that was quite thorough" and produced by AGC.

Beistline found, "Moreover, if this project proceeds as planned, it is likely that much of the land involved will be left in a far better condition than it was when the project began."

The judge concluded "given the extent to which the project has progressed to date, that no significant harm would be avoided by the issuance of injunctive relief at this time."

While all sides agreed that about 100 acres of wetlands filled with gravel and concrete in preparation

for the plant site are irreparably lost; the plaintiffs argued that other wetlands currently disturbed could potentially be restored. The judge, however, found that "the vast majority of wetlands in question have now been filled and are technically no longer wetlands, and the mining operation is well underway. An injunction at this time would therefore result in much greater harm to AGC and the citizenry supporting the mining project than to any remaining wetlands or environmental concerns."

"We are pleased to have this issue behind us," said Doug Nicholson, vice president NovaGold Alaska and general manager of Alaska Gold Company. "As acknowledged by the Court, this project will bring significant economic benefits to the community of Nome. Construction at Rock Creek is progressing well. The truck shop, reagent building, leach train and steel superstructure on the mill building are up. Work is continuing on piping and electrical inside the buildings. We continue to assemble our operations team and are working diligently to achieve our production target of Q3-2007, with full commercial production by year's end."

The Army Corps of Engineers did not comment.

Vicki Clark with the Trustees for Alaska said, "We are very disappointed with the ruling. It did not specifically address my clients' concerns about the Clean Water Act or any discussion on other reasonable alternatives of the project." Jana Varrati hasn't had the chance to read the ruling but said that her reaction to the ruling is one of astonishment. Varrati wants to determine what legal options are available. "I believe this is only the beginning of this legal process," said Varrati.

Sue Steinacher also expressed disappointment and said, "Needless to say, I respectfully disagree with the judge's conclusions and am dis-

appointed by his decision. Contrary to what some folks may still think, our suit was not an effort to stop the mine, but to assert that the government needed to do a better job of informing the public of potential risks of hard-rock mining, of hearing their concerns, and requiring greater plans for protection before they permitted the mine."

Steinacher said this still seems like a very reasonable request. "My hope now is that Alaska Gold will pursue a rigorous and open environmental monitoring effort and prove their claims that they can mine without doing any harm to the subsistence resources of the Snake River, Big Hurrah or any of the areas they operate in," Steinacher said.

The plaintiffs could challenge Beistline's decision with an appeal to the U.S. Court of Appeals for the 9th Circuit, which would take the matter before a three-judge panel.

Read the entire ruling online at www.nomenugget.net.

•Council

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the 2007-2008 property tax mill rate that underlies the budget—11 mills, the same as last year's. City law requires that figure to be set by June 15, and the Council did so by unanimous vote. The mill rate explains the size of the tax bill property owners will receive on July 1. For the 2008 spending year, the valuation of all the assessed property in Nome is \$191,956,561.75. Divide that by 1,000 to get the value of one mill—\$191,956.56—multiplied by 11 gives \$2,111,522.17 to go into the budget from property tax payers. Right. So how does that relate to individual envelopes landing in mailboxes? Easy, works the same way. Say your property is assessed at \$63,000. Divide \$63,000 by 1,000, get \$63. Multiply that by 11, equals a tax bill of \$693, your contribution for 2008.

Now add in \$7,611,295.71 from sources other than property owners' hip pockets to meet the \$9.723 million budget, including

an estimated \$4.1 million from a 5 percent sales tax and an appropriation of \$1.26 million from the fund balance—the City's saving account.

The total general fund revenue to support the budget generally comes from three sources—tax from real and personal property assessments, sales and fees, appropriation from the fund balance on hand, and non-tax sources as interest income on reserve accounts.

The City's adopted municipal budget for spending year 2007 was \$8.55 million—more than a million less. This year the budget has had to accommodate more than a \$100,000 increase in the school contribution in part for capital projects, increases in retirement and health contributions for City employees, increase in utility and fuel costs (27 percent 10/2005 and 6 percent 10/2006), and \$300,000 for paving projects. Romenesko expects an increase of as much as

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BERING SEA LIONS CLUB
NOME RIVER RAFT RACE

Held Annually—During Midnight Sun Festival

2007 Honoring Roscoe J. Wilke

Sunday, June 24, 2007

Mile 13 Kougarok Road

Registration: 12:00 PM

Race Start: 1:00 PM

First raft to CROSS THE FINISH LINE at Dexter and comply with the rules will be the winner.

RULES:

1. Raft must be HOME MADE and have at least 4 crewmembers on board. (Each team will receive 4 event t-shirts free with paid entry.)
 2. All crewmembers MUST be entirely wet by finish line.
 3. \$25 per raft entry fee due BEFORE race start.
 4. Any crew under 18 must have written parental permission.
 5. No MOTORIZED crafts permitted.
 6. False starts will be disqualified as determined by race officials.
1. HAVE FUN!

TROPIES WILL BE AWARDED TO
FIRST, SECOND & THIRD PLACE FINISHING TEAMS

SPECIAL NOTE TO SPECTATORS:

Please be considerate of rafters and their safety;
do not throw objects off the bridge onto the rafts below.

FRONT STREET BBQ CHICKEN FEED

Friday & Saturday, June 22 & 23 – in front of Bering Sea Saloon

T-Shirts on sale at the Chicken Feed and Raft Race

CONTACT JOY @ 6619/2948 OR JOHN @ 6302/2486 WITH ANY ???

"Ants never sleep!"



2007 Nome Adult
Softball League
Schedule

Thursday, June 14
7 p.m.

Luck Shot Natives vs
BOT (N)
MC Hammers vs
Breakers (S)

8:30 p.m.
BOT vs AMI (N)
Polaris va Breakers (S)

June 18 through
June 22
Midnight Sun
Tournament
Schedule TBA

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16 ft canoe \$659 • 16 ft flatback canoe \$859

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June 14 — 28

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