

# DeLong transportation system completed early

Construction of a \$2.8 million barge dock and staging area for the DeLong Mountain Transportation System has been completed ahead of schedule and within budget, according to Gov. Bill Sheffield.

"This is an important first step in gaining access to the heavily mineralized area of Northwest Alaska, including the Red Dog mine," the governor said.

Owned by the Alaska Industrial Development Authority, the dock and staging area will be used to move general cargo from the shallow waters off Kivalina to the road system that will connect with the mine site 57 miles inland.

Bids to build the road, estimated to cost \$60 million to \$65 million, will be advertised in late December by AIDA and the Alaska Department of Transportation and Public Facilities.

Cominco Alaska, developers of the Red Dog mine, signed an agreement with AIDA earlier this year to reim-

burse the agency for construction of the DeLong Mountain Transportation System.

Under the agreement, Cominco will pay a fee of about \$12 million a year, guaranteed for 30 years, and projected to continue for 50 years. This will give AIDA a 6.5 percent return on its initial investment of \$150 million in the project, although that rate of return could increase from fees paid by other users.

"This kind of partnership with industry is an important role for the State of Alaska to assume," Sheffield said.

The Red Dog mine, the second largest zinc deposit ever discovered in the western world, is due to start production early in the next decade. The 130-foot by 180-foot barge dock and staging area was built by Ensearch Construction Inc., and completed about three weeks ahead of schedule. The firm was the low bidder on the project in late May.