

Meeting #45

June 8, 2016

## MEETING SUMMARY

### Meeting Attendees

#### *Community Working Group members present:*

Bruce Wittig – Queen Valley Fire Department  
Hank Gutierrez - Superior Copper Alliance  
Anthony Huerta – Town of Superior  
Pam Bennett – Queen Valley Community Liaison  
Nancy Vogler – LOST Trail  
Bill Vogler – Superior Copper Alliance  
Jeff Bunkelmann – Central Arizona College  
JoAnn Besich – Superior Optimist Club  
George Martin – JF Ranch  
Lynn Martin – JF Ranch  
Tiffany Rowell – Superior resident

#### *Community Working Group members not present:*

Karen Jones – San Carlos Apache Tribe  
Fred Gaudet – Arizona Trail Association  
Cecil Fendley – Queen Valley Water Board  
Mark Siegwarth – Boyce Thompson Arboretum  
Arlynn Godinez - Superior Unified School District  
Pamela Rabago – Superior Chamber of Commerce  
Rick Cartier – Superior Chamber of Commerce alternate  
Roy Chavez - Concerned Citizens and Retired Miners

#### *Resolution Copper Company:*

Jim Schenck, Communities Manager

#### *Facilitators – Godec, Randall & Associates (GRA)*

John Godec  
Debra Duerr

#### *Public Guests:*

Chris Postel, Ray FCU  
Adam Perlman, Ray FCU

### Housekeeping

John Godec told the group that the Cobre Valley Regional Medical Center will be represented by Mr. Fernando Shipley in future. Mr. Shipley is on the board of directors of that institution. He called to say that he wasn't able to attend the meeting tonight since SR 60 was closed from Globe due to an accident.

Godec reminded the group that we've talked about health effects and previous regional health studies at several meetings. For example, blood level studies and other activities were conducted in Superior last year. He said that several people at the Environmental Impact Statement (EIS) scoping meetings mentioned health problems in the area. In response to these issues, Godec decided to try to trace the history of this topic. At his request, the Arizona Department of Health Services (ADHS) has sent a number of historical records to him. He found studies going back to 1977 either here in Superior or in other Arizona mining towns related to lead, arsenic, cancer, etc. These have never been assembled until Godec tried to review and summarize them. He's submitted a synopsis to the ADHS for review, and he plans to distribute it to the group for information and discussion as soon as it's practical to do so.

A visitor offered that Kearney was included in a big U.S. Environmental Protection Agency (EPA) study that found a much lower mortality rate in Kearney than in other surrounding areas. He suggested that we could compare mortality rates in those towns with rates in Superior.

Debra Duerr told that group that the facilitators, in conjunction with Resolution Copper, have prepared an application to the International Association for Public Participation (IAP2) for a Core Values Award on behalf of the Community Working Group. She will send this to group members after Resolution approves it. Ms. Bennett and Mr. Gutierrez agreed to serve as references in the event the judges have questions on the application. Awards for winning proposals will be presented at a conference in Montreal in September.

### **CWG Subcommittee Status**

Debra Duerr reported that the next Recreation User Group meeting is scheduled for July 13 at 10:00 AM. An Historic Preservation Task Force meeting will be organized in July to review the requested cost estimates for rehabilitation of the smelter stack and associated historic buildings, reportedly to be completed by that time.

For the Community Monitoring Task Force, the facilitators are working with Casey McKeon to develop a scope of work for a third-party hydrogeology contractor to assist with independent water quality testing and sampling. When this is completed, another task force meeting will be set up for the group to discuss hiring the contractor. Several CWG members noted that they think this will be a very important task force.

Bruce Wittig and Bill Vogler, on behalf of the Community Investment Subcommittee, requested a meeting with Diego Ortega. They said they had been trying to set this up since the beginning of the year, and asked Jim Schenck to pursue this.

Godec told the group that the visual simulations, which were to be presented at this meeting, aren't quite done yet. We will find another time to preview these.

## Follow-up to May 11 CWG Discussions: Railroad Questions & Copper Market Dynamics

Vicky Peacey could not attend the CWG meeting tonight since she was delayed at a tribal council meeting elsewhere. She sent information about outstanding questions from the last meeting, along with photos of the types of rail cars that are expected to be used.

### 1. Who will operate the railroad?

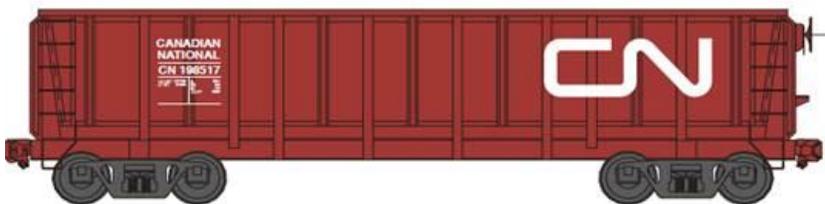
The MARRCO line will be operated by a 3rd party industrial rail operator.

Possible candidates would be Copper Basin Railway, which runs the Ray mine trains or Genesee Wyoming, which operates the system in the Globe/Miami area). The operator will be likely determined by a competitive bid process.

The operator will hand off the loaded trains with concentrate to Union Pacific at the end of the line.

### 2. What type of trains will be used?

Resolution is still evaluating specific car types, but would use either a hopper or gondola car, similar to what other mines use. These are illustrated below.



***Gondola Car***



***Hopper Car***

A CWG member noted that the end of the line is at Magma Junction in Santan Valley. It's about 7 miles from the filter plant to Magma Junction. As an ex-railroad worker, he wondered how hopper cars could be loaded with a loader, which is usually used for lightweight products like perlite. He said that heavy materials are usually loaded using a chute. Loading open-top cars with loaders is 'antiquated'; current practice is to use a belt scale. A member asked if the material is safe, e.g. in case of spills. All agreed that it is safe, being composed of just concentrate.

The group wondered if the Forest Service will be talking about the loading facility at the public scoping meeting tomorrow night in Santan. A CWG member expressed that she's frustrated with people complaining about the fact that this copper may be sold overseas. Jim Schenck explained that this is a function of the fact that there are only three smelters in the U.S. and they won't be able to handle this amount of material. Further, Resolution doesn't know what the status of these smelters will be by the time copper starts coming out of the Resolution Copper Project.

Godec asked the group if they have had a chance to look at the World Copper Report that Vicky sent, and is also posted on the website. Several members had done this. Bruce Wittig said that he has asked the author, International Copper Study Group, how many smelters were in production in the U.S. in each decade since the 1950's to get an idea of the depletion of copper smelters during that time. Schenck noted that this phenomenon is partly due to economics and partly due to environmental concerns. Most companies don't have the capacity to keep a smelter in operation, and the level of effort to permit new ones would likely not justify the investment.

### **Review of CWG 2015-16 Annual Report**

The group reviewed the third annual report summarizing activities since June 2015. Several members commented that the group has done a great deal of work this year, chiefly including establishment of four subcommittees and preparation of comprehensive scoping comments for the project Environmental Impact Statement.

### **Additional EIS Scoping Comments Discussion**

On the topic of the EIS, a group member suggested that the CWG might want to submit scoping comments regarding the filter plant site before the scoping period ends. The group discussed specific comments they'd like to submit and asked the facilitator to prepare a supplemental scoping letter for the group to review. (This was subsequently done. The group reviewed the letter and agreed with its content. The letter was submitted to the Tonto National Forest.)

Mr. Gutierrez submitted a photo he'd taken recently of the rail junction near Santan, as shown below:



## Future Planning

The Tonto National Forest has agreed to speak with the CWG in July, so Godec asked members to think about questions they'd like to ask. This will be just before the extended scoping period ends on July 17.

Mark Stapp of the Real Estate and Investment program at the WP Carey School of Business at ASU will be coming in September to discuss real estate and property values. The Martins asked to please invite the Hewitt Station residents to this meeting since they live next to the tailings site. The group agreed this was a good idea.

Godec reviewed the list of ideas for future meetings included in the Annual Report, and asked which of these topics are highest priority to the CWG.

Members suggested further review of the tailings site and alternatives, including the State Trust site and the Pinto Valley mine site. They wondered if there is any possibility that the Pinto Valley mine might become available in future in the timeframe of Resolution mine development, and if so how this might affect the NEPA process. The suggested inviting someone from BHP to answer the following questions: Why did BHP sell the Pinto mine when they knew the tailings were supposed to go there? Was it simply to get income from selling the property to Capstone? At what price would they be willing to sell this site to Resolution for the tailings?

It was agreed to invite the Tonto National Forest to provide updates on the EIS on a quarterly basis. This could include contractor resource specialists.

The Mining Law of 1872 is still of interest to the group, who realize that it's a very powerful law with substantial effects. They are interested in the history of the law, why it was adopted, what it really allows or requires, who's trying to change it, how and why? They suggested finding a neutral person, not a mining opponent or supporter, to provide this information. There was discussion about whether hydraulic mining came about before or after this law.

Public health will always be an issue, so the group would like to continue following this topic.

Another suggested meeting topic was to learn more about the wick drying program to dry the tailings in Salt Lake, as described in an article Vicky sent. It was noted that this is what caused the tailings failure problems in Brazil.

For general discussion, Godec asked CWG members what they are hearing from the community and what kinds of questions people have. Some members said that many people think the mine is already operating, and wonder how they can get jobs. People generally have no idea of the status or timeframe of the project. The feeling is that most people are in favor of the mine and are looking forward to it. Queen Valley seems to be relatively neutral although there is a contingent of vocal opponents. There is more awareness and understanding of the National Environmental Policy Act (NEPA) process and the requirement for mitigation. Members agreed that there was once a great deal of confusion over the need for and application of NEPA; most thought the NEPA process will be very helpful to the community.

Godec asked if the group is interested in hosting public meetings in future. Various formats for public meetings were discussed including an open house with the different subcommittees having stations to talk with people, World Café process, community conversations and others. The idea of setting up a booth at community events like the Prickly Pear Festival in August seemed to be of interest. Members noted that some things to consider would be having meetings before dark for seniors, considering different days of the week or weekends, and providing food.

The group thought that perhaps more community residents will start coming to CWG meetings after Resolution stops having public meetings and the Forest Service isn't doing a lot. In addition, members suggested preparing a public interest piece, and/or getting reporters to come to the CWG meetings.

The group felt that the community monitoring is a really big thing, and it was suggested that the CWG have a meeting explaining this process. This might serve to allay some concerns of folks in the Superior area and Queen Valley.

### **Public Questions & Comments**

There were no public questions or comments.

### **Next Meeting**

***Wednesday, July 13, 2016***  
*Superior Chamber of Commerce*  
*5:30pm light dinner for CWG members and invited speakers*  
*6:00pm Meeting*

The topic of the next meeting will be an update from Tonto National Forest staff.