

Meeting #13 January 23, 2014 Meeting MEETING SUMMARY

Meeting Attendees

Community Working Group members present:

George Martin – JF Ranch Lynn Martin – JF Ranch Fred Gaudet (for Matt Nelson) – Arizona Trail Association Nancy Vogler – LOST Trail & Superior Copper Alliance Bill Vogler – LOST Trail & Superior Copper Alliance Pam Bennett - Queen Valley HOA Cecil Fendley – Queen Valley Water Board Bruce Wittig – Queen Valley Water Board Jeff Bunkelmann – Central Arizona College Mark Siegwarth – Boyce Thompson Arboretum Pam Rabago – Superior Chamber of Commerce Steven Byrd – Superior Junior-Senior High School Roy Chavez – Retired Miners and Concerned Citizens Community Working Group members not present: Lynn Heglie – Superior Business Dominic Perea – Superior Junior-Senior High School Martin Navarrette – Superior Little League

Resolution Copper:

Vicky Peacey – senior manager of approvals, communities & environment Melissa Rabago – community outreach coordinator Casey McKeon Ph.D – environmental manager Ian Edgar – general manager, studies

Facilitators – Godec, Randall & Associates (GRA) John Godec Matt Ortega

Guests: Councilwoman Mila Besich Lira – Superior Town Council Jerry Mensch - Queen Valley

Housekeeping

John Godec opened the meeting at 5:31pm. He noted the upcoming Chinese New Year and upcoming Superior Home Show. He discussed the proposed 2014 Community Working Group schedule of meetings.



Planning for 2014

Godec solicited feedback from the group about the suggested schedule; it appeared that there was a general agreement with it.

- A member asked about San Carlos tribal representation.
 - Godec said that he and Resolution would continue to reach out to the tribal community for CWG representation.

Presentation on Resolution's Practices & Plans for Community Agreements Presenter: Vicky Peacey, Resolution Copper Company

Prior to Peacey's presentation, Godec told the group he had a discussion with a Superior Councilman during which the CWG was discussed. He said that the Town has a respect and appreciation for the CWG and will most likely listen to issues raised by the CWG in the future. He also said a new, formal Town committee will be engaging in discussions with the company.

He then led a discussion about definitions of terms in relation to what types of activities the company may be able to support for Superior and surrounding communities. He specifically discussed the use of the term "mitigation" in that this term is generally used in an environmental treatment context and that perhaps a better term for group discussions should be "compensation." This began a discussion about different terms that resulted in the following suggestions from group members:

Social Investment Contributions(s) Community Enhancement(s) Partnership Community Investment

Peacey then explained to the group that Resolution's practices include making agreements with communities that involve a number of partnership agreements such as local job creation, local procurement benefits, economic development investment, scholarships, and internships. The company has also worked with concerned communities by involving and paying for third-party data analysis regarding environmental impact. Also the company has worked with communities in forming emergency services agreements with local governments and providers. She said these agreements are not necessarily overly-complicated or legally complicated and are easy to form. The company is willing to provide copies of these types of agreements if the CWG would like to see these.



- Questions were asked about whether the company has partnered with socialservice organizations
 - Peacey answered yes, sometimes this has been done through the creation of a foundation and usually has to do with job creation, and/or scholarships or economic development.

Peacey also mentioned that other community agreements have involved such issues as language preservation and capacity building, defined as helping a community attract and produce viable employees by enhancing a community's access to medical care, post-secondary education opportunities, job training, and the like.

Examples of company partnering and assistance in local communities:

Local Hires	Local Vendors
Seed \$ to Grow Businesses	Education
Fund 3 rd Party Environmental Sampling	Emergency Services
Corporate Giving	Foundation
Health Services	Training
Cultural Preservation	Language Preservation
Scholarships	Capacity Building

Brainstorming on mitigation and community agreements

The group discussed the types of measures that would be in a community agreement for the Town of Superior and surrounding communities. The group produced the following suggestions for ongoing discussion:

Counseling	Communication
Newsletter	Community Group
Social Media	Royalties
Public Safety Capacity	Eco Tourism
Economic Diversification	\$1 million Mining Museum
Central Arizona College satellite campus	Parks & Recreation
Grant Writing Assistance	Land Acquisition
Transportation	Town Cleanup
Housing Stock & Rehab	Weatherization
Long Term Economic Development	Golf Course
Process, possibly including a Consultant	
Campground	

There was discussion about the issue of mining royalty payments that Rio Tinto and other companies have made in other communities; members had differing opinions about this concept. Godec said that there are many cases where royalties are a precedent. Peacey said that the company does not pay local royalties but does pay a



state royalty tax. She said the 1872 Mining Law prevents local communities from receiving royalties.

Peacey also said that the company's view of community agreements is focused on creating not only a partnership with local communities but long-term sustainable communities throughout the life of the mine and beyond if possible. She defined this as agreements for sustainable ongoing decision-making.

There was discussion about the example of Magma Copper's experience in San Manuel, which was characterized as a "company town standard" in that the town feeds the mining operation and not the other way around. Another model was suggested in which a town or community is not paid per se, but creates an Ad Hoc group to determine what is in the community's best interests.

Public Comments

- Councilwoman Lira said that she enjoyed the meeting discussion and believes the CWG is on the right track.
- A gentleman from Queen Valley asked where he could find water quality or endangered species data reports.
 - Peacey referred him to the Mining Operations Plan and to Resolution staff.

Final CWG Comments and Next Meeting

A field trip/tour was discussed with a tentative date set for March 15.

The next regularly-scheduled meeting is Thursday, February 27.

There was a question about the status of operations, particularly Shaft 10.
Peacey said she would follow up and report at the next meeting.

The meeting adjourned at 7:49 p.m.