

Meeting #24 August 13, 2014 MEETING SUMMARY

Meeting Attendees

Community Working Group members present: Pamela Rabago – Superior Chamber of Commerce Nancy Vogler – LOST Trail Roy Chavez - Concerned Citizens and Retired Miners Bill Vogler – Superior Copper Alliance Bruce Wittig – Queen Valley Fire Department Jeff Bunkelmann – Central Arizona College George Martin – JF Ranch Lynn Martin – JF Ranch JoAnn Besich – Superior Optimist Club Mark Nipp – Town of Superior Anthony Huerta – Town of Superior Mark Siegwarth – Boyce Thompson Arboretum Nina Crowder - Superior Rotary Club alternate Patrick O'Donnell – Superior Unified School District #15 Pam Bennett - Queen Valley HOA

Community Working Group members not present:

Dominic Perea – Superior Junior-Senior High School Steven Byrd – Superior Junior-Senior High School Matt Nelson – Arizona Trail Association Fred Gaudet – Arizona Trail Association alternate Kiki Peralta – Superior Rotary Club Cecil Fendley – Queen Valley Water Board Evelyn Vargas – Cobre Valley Medical Center Rick Cartier – Superior Chamber of Commerce

Resolution Copper Company:

Vicky Peacey – Environmental, Permitting & External Affairs Manager Melissa Rabago – Community Relations Jim Schenck – Manager for Communities & Social Performance

Facilitator – Godec, Randall & Associates (GRA) John Godec Sally Stewart

Public Guests:

Robert B. Jacques – private Norm Rathfel (sp?) – SMERSH Jacque Smith – Arizona Water Company Dennis Van Gorp – church community Elijah A. Cardon – LDS community Tiffany Rowell – interested citizen Hank Gutierrez - resident



Housekeeping

The group welcomed two new CWG members; the Town of Superior has asked Public Works Director Anthony Huerta and Police Chief Mark Nipp to serve as the liaison between the Town of Superior and the CWG.

John Godec told the group that he is continuing discussions with individual tribal members of the San Carlos community about finding a representative to join the CWG. Tribal representatives have suggested that the group may want to make a trip to San Carlos to visit the cultural center to get better background on the community. More than half of the group indicated they would be interested in such a trip. It was suggested that the trip be held on a regular meeting day, in mid-afternoon. The group agreed to schedule the trip on October 8 if possible. The group noted that the facilitators have done a good job in increasing communication about the CWG.

A letter from Resolution was included in the packet received by members of the group. The letter explained that Resolution will be drilling a 4,000-foot deep bore hole to measure water level and pressure on the south side of Superior over the coming weeks. There will be drilling day and night during the 50-day process. There will be machinery at the site and it will be staffed 24 hours a day. Noise abatement measures will be used. A public meeting, to which all residents are invited, is scheduled for Monday, August 18 at 6 p.m. at the Magma Club.

The group wants someone from Resolution to address what will happen with the railroad and Hewitt station. There are also questions about the water delivery system and the amount of water that will be needed from Arizona Water Company for the mine. There are currently no agreements between Resolution and the water company, according to a company representative who happened to be attending the meeting as an audience member. A CWG member stated that the water system was originally built for the mining operation in Superior, and that the company has purchased water already. It was asked that answers to these questions be addressed at the next meeting.

Report on Holden Mine Tour & Remediation Activities Presenter: Bill Vogler, CWG Representative

CWG member Bill Vogler was selected to represent the group at a July tour of Washington State's Holden Mine cleanup being conducted by Rio Tinto. He told the group about the trip.

Copper was discovered at Holden in 1896 and mined until 1957. Mining claims were deeded to the Lutheran Bible Institute in 1961, now the site of Holden Village. In the late 1980's the U.S. Forest Service identified numerous environmental problems and began to address them. In the early 1990's the U.S. Environmental Protection Agency (EPA) identified Intalco Aluminum Corporation as a potentially responsible party and cleanup studies began under the federal Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), often referred to as the *Superfund* program. In 2007 Rio Tinto acquired Alcan, the parent company of Intalco, which included the Holden site in a larger portfolio of active mines. Rio Tinto began



preparing the site for cleanup in 2011. A federal Record of Decision for the cleanup was issued in 2012.

The Forest Service is overseeing the Rio Tinto cleanup for the EPA. Bill Vogler pointed out that the Forest Service representative in charge has been impressed with Rio Tinto's emphasis on safety and the work done to date. Remediation activities are expected to continue through 2015, followed by ongoing monitoring. The remediation is expected to cost about \$200 million. Bill thought that the site tour and the work going on there was very interesting.

Synopsis and Community Investment Program Management Options

Because several members of the CWG are new, the group reviewed some of the previous discussions, including tailings mitigation, tailing siting criteria, issues heard from the community, Resolution's mining plan of operation, National Environmental Policy Act (NEPA) requirements, water needs, Arizona Department of Environmental Quality (ADEQ) regulatory requirements, and Rio Tinto's plan for community investment.

The group continued its discussion from the last meeting of how Resolution and the community could work together to benefit the area, noting that this will remain an ongoing topic.

There was general discussion about recommendations and past priorities for community investment that the group had identified. The preliminary priorities, developed last year, included public safety and emergency services, economic diversification, communication, youth life skills, monitoring public health, funding for third-party environmental sampling, education scholarships and training, campground rehabilitation, and grant writing assistance. That original list and order of priorities still seemed to be generally acceptable to the group. The CWG generally agreed that economic diversification in Superior and the region needs to take place. Losing the campground is also a large concern.

There was continued discussion about the possible structure of an organization that would administer contributions from the mine to the community, and how those contributions might be allocated. The facilitation team displayed and distributed a comparative chart showing a variety of management structures for this kind of organization. The group discussed and expressed interested in learning more about what kind of organization would be most appropriate for doing this. Alternatives to consider include foundations, trusts, and municipal enterprises. It was also suggested that this should be the topic for the next few months. The group agreed with a proposal that the facilitators explore finding experts to assist in an understanding of the best options and how to proceed. It was suggested that the Arizona Community Foundation may have some useful information to assist in exploring this topic. The Central Arizona Association of Governments (CAAG) may also have some useful economic development information. The group would like to learn more about what Freeport McMoRan is doing with the Miami community, specifically how funds are allocated and whether grants are distributed. A visitor from Miami suggested two possible contacts. The facilitator was asked to research this.



Several members suggested that a need exists to build the community up before the mine "fires up", and that the need for a diverse and inclusive group to drive this effort isn't based solely on the viability of Resolution. The group indicated they felt the community needs to look at a plan for economic development rather than depending solely on the mine, saying that diversification should be a top priority for the community. That plan should include the possibility that the mine will be a significant part of the community but the community should look for other ways to develop. The general feeling was that the community could not wait for 10 years to begin working on these initiatives.

The group agreed that in addition to community investment issues, their priorities include answering unanswered questions about the tailings site and about water use. They requested another field trip to the tailings site and they would like to approach the water issue again since they were not satisfied with information provided by the Arizona Department of Water Resources (ADWR).

Public Comments

A member of the public said that diversification costs money; the community should work with the company and use the company to its benefit. Another visitor said that the agreement should be with a group like the CWG, stating that "we don't need a legal structure, we need common goals as the starting point. Our goal is to be sustainable after the mine is gone".

Final CWG Comments and Future Meeting Planning

Next Meeting:

5:30 PM Wednesday, September 10, 2014 Superior Chamber of Commerce 165 W. Main Street Superior AZ

Final Thought: "Where do we want Superior to be when the mine goes into operation? Where do we want to be in 2020 and beyond?"