

Meeting #31 March 19, 2015 MEETING SUMMARY

Meeting Attendees

Community Working Group members present:

Nancy Vogler - LOST Trail

Fred Gaudet - Arizona Trail Association alternate

Rick Cartier – Superior Chamber of Commerce alternate

Pam Bennett – Queen Valley Homeowners Association

Roy Chavez - Concerned Citizens and Retired Miners

Bill Vogler – Superior Copper Alliance

Bruce Wittig - Queen Valley Water Board

Michael Lira - Central Arizona College

George Martin – JF Ranch

Lynn Martin – JF Ranch

JoAnn Besich - Superior Optimist Club

Mark Siegwarth - Boyce Thompson Arboretum

Jeff Bunkelmann - Central Arizona College

Pamela Rabago – Superior Chamber of Commerce

Mark Nipp – Town of Superior

Frank Stapleton – Cobre Valley Regional Medical Center

Hank Gutierrez - Superior Copper Alliance

Community Working Group members not present:

Matt Nelson – Arizona Trail Association

Kiki Peralta – Superior Rotary Club

Nina Crowder – Superior Rotary Club alternate

Patrick O'Donnell – Superior Unified School District #15

Cecil Fendley – Queen Valley Water Board

Anthony Huerta – Town of Superior

Resolution Copper Company:

Vicky Peacy - Environmental, Permitting & External Affairs Manager

Jim Schenk – Manager for Communities & Social Performance

Facilitators – Godec, Randall & Associates (GRA)

John Godec

Debra Duerr

Guest Speakers:

Tom Torres, Tonto National Forest

Mark Nelson, Tonto National Forest

Public Guests:

Theresa Hopkins - self

Introductions & Housekeeping

John Godec welcomed the guests from Tonto National Forest (TNF), saying the group has wanted to visit with Forest Service (FS) representatives from some time. He asked those present to introduce themselves. Members reported that there was a very large mining festival



over the past weekend in Superior. Queen Valley representatives said that there was a bus tour for Queen Valley residents yesterday provided by Resolution; about 40 people attended.

Godec said that copies of a registered letter sent to San Carlos Apache Tribe are included in the group's packet. We have received no formal reply from the Tribal Council but we have been told by San Carlos sources that the Chairman and Council have no intention of participating in the Group. Godec has spoken to other San Carlos tribal members about joining the CWG but no decisions have been made yet.

Regarding CWG attendance, Godec reported that we have had no responses from those who do not attend often. We are pursuing new representatives from some of those organizations. The Superior Rotary will submit a new representative in the future. Lynn Martin has spoken with Louis Rabago from Red Bear Outfitters, and he indicated interest in participating. A suggestion was made that the Superior Historical Society would be a good group to talk with, and Godec reported that he has spoken with Richard Hing, the current president.

At the last meeting we asked members to suggest co-chairs for a new subcommittee on Community Investment. Bruce Wittig and Bill Vogler were the two receiving the most recommendations. Godec said that the facilitators will work with the co-chairs to set up an organizational meeting. It was clarified that these might be the CWG representatives on this committee but there will also be representatives from the Town of Superior and other interests.

Resolution has requested that the CWG consider subcommittees for two other specific areas of interest. One would deal with access and recreational impacts from and to proposed mining operations. Lynn Martin informed the group that a new Forest Service Travel Management Plan will be coming out July 1, so that will change access significantly as well, mostly for "user-created" roads rather than FS numbered roads.

➤ Pam Bennett and Nancy Vogler volunteered to organize an access and recreation committee.

Another subgroup that has been suggested by Resolution would deal with historic preservation of mine buildings and structures.

Pamela Rabago and Lynn Martin volunteered to lead this Task Force.

Godec asked if anyone had yet read the book *Boom*, *Bust*, *Boom* that was distributed at the last meeting. Several offered comments. He asked the group if they would be interested in hearing from the author at a future meeting; since there seemed to be interest in this, we will discuss it again at the next meeting.

He mentioned upcoming community meetings that Resolution will be holding. He also reviewed the updated list of CWG meetings that is included in the packet, and mentioned that Resolution would be willing to offer a tour of the newly completed shaft at some time later this year; most



CWG members indicated interest. A field trip to view active tailings reclamation at other mines, such as San Manuel, was also suggested, as was a trip to view some of the lands Resolution is offering in exchange for the mining area near Oak Flat. Most members of the CWG agreed that these would be valuable.

A group member asked how many acres Resolution will be giving to the Department of Interior. Vicky Peacey said that after completion of a final Environmental Impact Statement (EIS), 2422 acres of federal land would become private in exchange for 5344 acres; of this, 4150 acres would go to the U.S. Department of Interior, 1194 acres would go to the U.S. Department of Agriculture (Forest Service), and 515 acres would go to the Town of Superior. Of the 4150 acres going to the Department of Interior, 3050 is along the Lower San Pedro River, 940 acres are within the Appleton research ranch and 160 acres are at Dripping Springs.

Tonto National Forest Mining & Environmental Impact Statement Perspectives Presenter: Tom Torres, Minerals Staff Officer & Mark Nelson, Mine Environmental Specialist

Tom Torres introduced himself, saying that he has responsibility for the minerals team on the Tonto. Mark Nelson is a geologist on this staff, and will be the project manager for the Resolution Copper Project EIS. Torres has about 20 years of experience with the Forest Service in a variety of locations performing environmental assessments. Nelson specializes in evaluating hard rock mining projects. Neil Bosworth, the Forest Supervisor, has ultimate responsibility for this project, which will also be reviewed by the Regional Forester in Albuquerque and partner agencies at the federal and state levels (after they are determined).

He said that tonight they will share information, explain federal land policies and the mine regulatory framework, and explain the National Environmental Policy Act (NEPA) decision-making process.

The mine plan of operations for this project was submitted in November 2013, and has been under review since then. The approval of the land exchange recently added complications to the project as well. Torres emphasized that the FS will not be able to answer all questions at this time, since this will be a long process. He clarified that they are not here to receive formal comments on the Preliminary Environmental Assessment (EA) for the tailings site baseline studies. The official comment period for that study started on March 13 and will end April 13. Copies and information, such as Response to Scoping Comments, can be found on the Tonto NF website. Torres will provide a link to these materials to the facilitators for distribution to the group.

Mark Nelson is the newest member of the Tonto National Forest team for this project, and he has been here for only a few weeks. He has extensive experience in environmental assessments for all aspects of mining projects for the FS. He has come from the Black Hills in South Dakota.

Nelson reviewed the major federal mining authorizes that govern mining. Chief among these is the General Mining Law of 1872, which allows free access and the right to own and use



minerals – under a valid mining claim - even if the surface ownership of the land is different. Another law is the Organic Administration Act of 1897 that opened all National Forest lands to mineral exploration. The Mining and Minerals Policy Act of 1970 encourages private enterprise in minerals development, and the FS has its own minerals policy taken directly from this law. The plan that Resolution has submitted has been determined to be legal and to be sufficient to kick off a NEPA process. Through the NEPA process the mine plan of operations may be approved or modified to protect the environment, but the Forest Service cannot disapprove the project, because of the existing mining laws.

Other protections that will be required include a state aquifer protection permit (APP) and Arizona Pollutant Discharge Elimination System (APDES) permit from Arizona Department of Environmental Quality (ADEQ), a reclamation plan by the AZ State Mine Inspector, air quality permit from Pinal County Air Quality Control District, and safety of dams, water storage and groundwater withdrawal permits from Arizona Department of Water Resources (ADWR). Nelson noted that current environmental protections for mining projects are completely different from what happened in the past when few or no regulations applied.

Section 3003 of the National Defense Authorization Act for 2015 is the act that includes provision for the federal land exchange for Resolution Copper Project. This provides that 2422 acres of federal land will become private in exchange for about 5000 acres of private land that would become public. He showed a map of project facilities and land tenure.

For more information about NEPA, he told the group that they can access A Citizens Guide to NEPA from the federal Council on Environmental Quality (CEQ) website. The Environmental Impact Statement (EIS) for this project will include both public and private lands for assessing impacts of the project.

As previously mentioned, there is an EA currently being performed for baseline operations on the tailings site. This is not the same study that will be performed for the EIS for the entire project.

Upcoming public comment meetings on the tailings site EA will be held on the evenings of:

- March 25 at Superior High School
- March 26 at Queen Valley Recreation Center

The Forest Service does not have authority to deny approval of tailings site characterization, but they can require mitigation measures, or can require an EIS if there are 'significant' effects. An EIS is a higher level of analysis than an EA.

The group had the following questions and comments:

• Will there be two separate EIS's for the land exchange and the mine development or will the same EIS cover the mining project and the land exchange together?



- One comprehensive EIS is expected. While it makes sense to assess these actions together, it also makes the process more complicated.
- Will the tailings site remain as part of FS lands?
 - Yes, and state agencies will also be involved in regulation of the site.
- Will the U.S. Army Corps of Engineers be involved?
 - The TNF is in the process of identifying Cooperating Agencies, so they may wish to become a cooperator.
- There's a lot of drilling going on near Whitford Canyon what is it?
 - Vicky Peacy said it's for the Copper King Redtop project, for Bronco Creek Exploration Company. This will probably fall under a Categorical Exclusion in the NEPA regulations. This means that the action does not require environmental analysis, since it is considered routine. The scoping period is going on now, so that could change depending on comments received from the public.
 - Nelson cautioned that just because a company is doing test drilling it doesn't mean that a mine will follow. Most explorations don't result in mine development.
- What permits would be needed for the Copper KingRed Top project? Are these adjacent to the Resolution tailings site?
 - Permits are for drilling. This project is not adjacent to tailings site but is about 5
 miles away. If people want more information, they can look at the Schedule of
 Proposed Actions section of the TNF website; a link will be provided to the
 facilitator.
- Is the EA on the tailings site the process in which we could request consideration of other tailings sites, like the Arizona State Land Department parcel in Superstition Vista?
 - No, that would be part of the mine plan EIS.
- If an alternative for a tailings site, e.g. State Land, is suggested in the EIS, would test drilling need to take place on that site?
 - Resolution has a right to put the tailings site where they proposed. The FS can require analysis of alternative sites, but cannot require another site to be selected. Site characterization would likely be needed for any site used for tailings disposal.
- Please verify, again, that the EIS will cover both the land exchange and the mining project. There is a continuing concern in the community that private lands will not be covered in the assessment.
 - The EIS will include both.
- What can stop this project?
 - A new Congressional authority would probably be needed. Existing laws don't allow for disapproving the project, although changes and mitigation can be applied. Time, cost of the analysis, and metal prices do stop projects around the world if sponsors decide not to proceed.
- Who will be on the group to develop an Apache Leap management plan, as required by the land exchange bill? Will residents be notified of this?



- We don't know yet. There will be public input. A plan needs to be developed within 3 years. This may end up as part of the revised Forest Plan, which is being developed now.
- There was a question about another project, which Resolution answered.
- Is there a new State Land Department director yet?
 - Not yet.
- How long will this EIS take?
 - At least 5 years.
- How can this group be involved in the process?
 - TNF representatives said that they will think about this and talk with the Forest Supervisor, and then provide some suggestions. Peacey noted that the legislation requires a recreational access plan, and this might be an area for CWG involvement.
- When will you pick a company to do the EIS?
 - URS is doing the EA on the tailings site that's a different process. We are
 working on initiating a process to identify companies to work on the EIS; the FS
 will select this contractor. That process will take a period of months.
- Will the EIS also lay out what kinds of surety bonds the company needs to obtain?
 - This is already decided by existing laws and regulations. It does not need to be part of the EIS analysis. Preparing the cost estimates is complicated due to the need to determine a final alternative. This calculation would come at the end of the process.

The Forest Service representatives emphasized that this project is a "marathon" rather than a "sprint". A lot of work has been done, but there is much more to do and it will take a long time. The Supervisor's goal is to be as transparent as possible throughout the process, and Mr. Torres and Mr. Nelson offered to come back to talk with the group any time they are invited.

For more questions and information on NEPA, people can contact:

Daisy Kinsey, Minerals NEPA Coordinator & ID Team Leader 602-225-5200

ckinsey@fs.fed.us

Tonto National Forest will be setting up a Resolution Copper Project web page, as well, that will be up shortly.

Public Questions & Comments

The visitor said she thought the meeting was very interesting.

Future Meeting Planning

Next Meeting:

5:30 PM Wednesday, April 8, 2015 Superior Chamber of Commerce

The topic will be a continuation of water resources, with Mr. Grady Gammage, Jr. as our guest speaker.