

Meeting #58
September 13, 2017
MEETING SUMMARY

Meeting Attendees

Community Working Group members present:

George Martin – JF Ranch
Lynn Martin – JF, JI Ranch
Jeff Bunkleemann – Central Arizona College
Bruce Wittig – Queen Valley Fire Department
Jim Schenck – Rebuild Superior
Hank Gutierrez - Superior Copper Alliance
Sylvia Werre – Top of the World
Pam Bennett – Queen Valley Community Liaison
Karen Kitchayan Jones – San Carlos Apache Tribe
Fernando Shipley – Cobre Valley Regional Medical Center Board
Roy Chavez - Concerned Citizens and Retired Miners
Nancy Vogler – LOST Trail
Bill Vogler – Superior Copper Alliance
Tom Spridgen – Rotary Club of Superior
JoAnn Besich – Superior Optimist Club
Tiffany Rowell – Superior resident
Rick Cartier – Superior Chamber of Commerce alternate
Arlynn Godinez – Superior Unified School District Board / Maricopa County
Anthony Huerta – Town of Superior
Cecil Fendley – Queen Valley Water Board
Pamela Rabago – Superior Chamber of Commerce

Community Working Group members not present:

Fred Gaudet – Arizona Trail Association
Sy Sohmer – Boyce Thompson Arboretum

Resolution Copper Company:

Kami Ballard
Melissa Rabago
Lisa Dean
Andrew Lye
Michael Betom

Facilitators – Godec, Randall & Associates (GRA)

John Godec
Debra Duerr

Public Guests:

DeLores Hatfield
Richard Trowbridge

Introductions & Housekeeping

John Godec welcomed everyone and asked them to introduce themselves. Melissa introduced Lisa Dean from Resolution Copper Company. Ms. Dean is Principal Advisor for Communities and Performance, who has accepted an interim position to fill Diego Ortega's place until a permanent replacement is found.

Godec reminded the group to take and pass out the CWG business cards. He mentioned that the Forest Service had a meeting on this past Monday night with the Town Council. A CWG member said that she'd expected some kind of presentation but the meeting consisted of audience questions and Forest Service responses. Forest Service presenters said that more information would be available when the preliminary Tonto National Forest (TNF) Plan Revision comes out in November. A brief update was provided on the Apache Leap Special Management Area (ALSMA) Plan and the status of the Legends of Superior Trail (LOST) re-route study. But, the main topic of discussion at this meeting was the TNF Travel Management Plan. A CWG member encouraged everyone to check the Forest Service website where there is much more information.

Godec told the group that Mary Rasmussen has agreed to speak at the CWG meeting on October 11 about the alternatives identified for the Resolution Copper Project and Land Exchange Environmental Impact Statement (EIS). It was clarified that this meeting will focus on the EIS, not on the other ongoing TNF plans and studies. We will be talking more about the ALSMA plan objection period tonight. Forest Service has reported that one objection has been received so far.

In local news, Godec asked if the Magma Hotel is open yet. The group reported that it is not, but they are getting very close. Apparently, they are having IT problems.

Subcommittee Updates

The Community Monitoring Task Force did another well monitoring trip on August 31. The Historic Preservation meeting has not taken place yet. The next Recreation User Group (RUG) meeting is planned for October 11, at which time the trail system should be pared down to about the 50-mile system the group is working toward.

Visual Simulation Update

Kami Ballard, Resolution

Kami Ballard presented information and photos of the mine subsidence site. She noted that Resolution has been working on a subsidence animation video, which will be done later this year. She offered to come back and present this to the group when it's ready. She explained the locations from which these photos were taken. A simulation was shown from the air of the subsidence area at 45 years, looking east. The first subsidence will likely start to occur in years 8 to 10.

A CWG member wondered how deep the pit would be; Kami wasn't sure but said the video will pinpoint this. She said there is also a possibility that there will be water in the bottom. She explained that the bottom will be silty with no vegetation. At the top, the rock will be fractured and vegetation will grow. Another simulation showed this area looking west. Melissa Rabago suggested adding the overlook structure to this photo for orientation, but it was determined that it's not located within this photo frame. The next simulations were ground shots from three viewpoints: at the overlook, at Oak Flat, and east from US 60. Since the mine site and subsidence can't really be seen from Oak Flat, a member wondered why the campground can't remain in place. Ballard said the Resolution plans to leave the campground in place as long as it's safe to do so.

Ballard noted that these are draft products, and when finished they can be added to the CWG website. In response to a CWG member question, she explained why it's taken so long to complete the animation, due to difficulty in interpreting the changing technical specifications.

A member observed that at the last meeting there was discussion about other mining methods, including cut and fill. It was explained that this method would be similar to that employed at the Magma Mine. Resolution said this deposit has different geology so this method would not be safe or economical. The percentage of copper content is much lower for this mine than it was for Magma. Godec explained that the Forest Service will be discussing alternatives at the October CWG meeting, and we don't know if they will be looking at this mining method; Resolution didn't think this would happen. CWG members had the following questions:

- Will the existing shafts be closed, or left open?
 - Kami will check.
- What's the processing method? What kind of facilities will be built?
 - It will be a leachate process, and there will be a crusher and mill. These should not be visible from the town.
 - Resolution will have some visuals on these facilities, as well.
- Are the TruScape photos completed?
 - Yes, but Resolution doesn't use them much because this group wasn't too pleased with them. We should wait for the final products and the animations to post on the website.
- Have people seen the Retired Miners and Concerned Citizens' model of the subsidence? The group wondered how similar it will be to these visual simulations, and suggested that at some point we could look at the two side by side.
 - Some have seen this model, and thought it to be impressive. The group wondered if it is available for viewing on the Internet.

Discussion & Decision on Objections to Apache Leap Special Area Management Plan

The facilitators distributed an analysis of Forest Service responses to the CWG's scoping comments on the ALSMA, as the basis for a discussion of whether the group wants to submit objections to the proposed plan. It was agreed that, in most cases, the responses answered the CWG's questions. Two areas of concern remain, however. These are the proposed ban on

overnight dispersed camping in the ALSMA and lack of clarity on possible fencing related to livestock grazing.

While the group felt that the Forest Service explanations of why camping would be prohibited are unsatisfactory, they decided not to lodge a protest over this issue.

Regarding grazing, those responsible for the current allotments felt that they did not have enough information to determine if there is a problem. A more detailed map is needed of the specific locations of stock tanks relative to the boundary of the ALSMA. Ranchers need to know if the tanks are inside or outside of the management area. Livestock need to have access to them. There is concern that if the tanks are inside the ALSMA, they could be fenced off or shut down. There is also a question of who would maintain them. It was agreed that if it can be determined that the tanks are outside the management area, these concerns would be satisfied; if they are inside, the CWG will submit an objection requesting that they be fenced in such a way that cattle can access them. (Subsequent research and discussions with Forest Service staff revealed that the tanks are outside of the ALSMA.)

The Superior Town Manager noted that the town was one of three agencies invited to consult on development of the ALSMA plan, and most of their objections were addressed except a request for continuation of grazing.

CWG Membership & Attendance

As a continuation of discussions at the last CWG meeting, Godec reviewed the group's operating policy regarding attendance and asked members if they have any changes they'd like to make to this policy. He pointed out the request that members attend 2/3 of the meetings. None were proposed. Some members requested that people who are misbehaving need to be more strictly facilitated. A member suggested that we should review the ground rules on occasion to remind everyone of expected behaviors.

Godec noted that there are few CWG members who are now vocally 'opposed' to the Resolution Copper Project, and that all perspectives are important to our discussions. Additional members who might provide this perspective were discussed. Mentioned were Michael Hing, another local business owner, and Freddie Miramon. No decisions were made as to whether these people should be formally invited to join the CWG; this discussion will continue at future meetings.

Review of Resolution Presentation, August 30

Godec asked the group if they had any further thoughts about the information provided by Resolution at the last meeting on August 30. In general, the group felt that Diego Ortega did a good job. Some noted that although the company's approach is much different from what's been understood in the past, at least they now have a clearer idea of where they stand. Other members felt that there was a lot of talking but not much was said. They did not feel that they

understand what investments will be undertaken or what ‘returns’ will be expected on those investments. It seems likely that Resolution is going to control their purse strings, will make investment decision internally, and not involve the community in that process. A member noted that future funding will require “jumping through more hoops”, but it doesn’t mean the funding has dried up; an example was given of a new ambulance to be announced at the Town Council meeting tomorrow. Members generally thought that the company will wait until they get their mining permits before making any major investment decisions. Also, it is not clear to the group whether the ‘social license to operate’ is still at the top of Rio Tinto’s priorities.

At this point in the meeting, Andrew Lye, the Resolution Copper Project Manager, dropped by and was asked to add his thoughts. He candidly explained that there’s been a perception in Rio Tinto that money has been spent frivolously by Resolution. As a result, a freeze was imposed in the recent past until a more defined process was developed. Under this modified approach, future funding must follow a structure that considers mutual benefits. They are moving away from the concept of ‘social license’ toward a partnership approach. There will be emphasis on leveraging local dollars. Lye has asked for an example or roadmap on how this should be done, but Rio Tinto does not have this. He gave an example of his involvement with a Community Consultative Committee in Australia who received funds to distribute. He thinks a similar model could evolve here. He acknowledged that funding will be more challenging in future, but emphasized that Resolution wants to make sure that what they leave behind - if they leave - will be sustainable.

Melissa Rabago offered the observation that the social license is still first and foremost, although the language of it has changed to ‘social privilege’. Partnerships, collaboration, and other terms still amount to the same concept.

Lye outlined the five priorities of Rio Tinto’s relationships and commitments as:

- Safety
- Our people – take care of them
- Cash
- Partnership
- Growth

He explained that partnerships are being tracked by metrics, including how much is spent, staff performance, and obtaining permits. A recent audit included the companywide Communities group, in which Resolution was noted as a great performer.

Rabago was asked to find out how much Resolution has given to the community. She said that they have quarterly report cards, which she offered to share with the CWG. Todd Pryor thought they had spent about \$1.6 million over past 5 years, including a new fire truck, and \$35,000 for a Queen Valley emergency services contract.

Future Meeting Topics

During the course of tonight's conversations, several topics were requested or suggested for further exploration at future CWG meetings. These are:

- A presentation by BHP to explain plans for future land uses on lands owned by BHP and Resolution, particularly in Superior. The CWG would also like to learn more from BHP about "outside the fence" legacy contamination issues.
- An updated review by Resolution of the current status of the Mine Plan of Operation. The CWG has several new members since this was discussed, and also there may have been modifications made as a result of EIS studies over the past two years.

The facilitators will arrange for these presentations.

Public Comments

There were no public comments.

Next Meeting

The next meeting is scheduled for:

*Wednesday, **October 11, 2017**
Superior Chamber of Commerce
6:00pm*

Tonto National Forest staff have been invited to provide an update on the Resolution Copper Project Environmental Impact Statement, including alternatives considered.