

July 8, 2020
MEETING SUMMARY

Meeting Attendees

Community Working Group members present:

Pam Bennett – Queen Valley Community Liaison
Todd Pryor – Town of Superior
Jim Schenck – Rebuild Superior and Legends of Superior Trail
Hank Gutierrez - Superior Copper Alliance
JoAnn Besich – Superior Optimist Club
Fred Gaudet – Arizona Trail Association
Arlynn Godinez – Superior Unified School District Board / Maricopa County
Mila Besich – Town of Superior
Jeff Bunkleemann – Central Arizona College
Rick Cartier – Superior Chamber of Commerce
Fernando Shipley – Cobre Valley Regional Medical Center Board
Silvia Werre – Top of the World
Bruce Wittig – Queen Valley Water District
Ricardo Provencio – United Superiorites

Community Working Group members not present:

Gloria Ruiz – Town of Winkelman
Bruce Wittig – Queen Valley Fire Department
Pamela Rabago – Superior Chamber of Commerce
Karen Kitchayan Jones – San Carlos Apache Tribe
Tino Flores – Copper Corridor Economic Development Coalition
Anna Flores – Town of Kearny (retired from Town of Kearny and CWG)
Sylvia Kerlock – Town of Winkelman
Richard Matthews – Queen Valley Water Board
Cecil Fendley – Queen Valley Water Board
Tiffany Rowell – Superior community
Lynn Martin – JF, JI Ranch
George Martin – JF, JI Ranch
Cathy Melvin – Gila County
Anthony Huerta – Town of Superior
Tweedy Armitage – Superior Historical Society
Jeff McCormick – Town of Kearny
Lynne Nemeth – Boyce Thompson Arboretum

Resolution Copper Company:

Hesston Klenk – Communities Manager
Caitlin Pierce – Community Performance Manager
Danny Court - LED Pollack & Co.
Bryan Seppala – Resolution Copper Mining, Communities & Social Performance
Trevor Barger – Arizona Strategies
Karrin Robson – Arizona Strategies

Facilitators – Godec, Randall & Associates (GRA):

John Godec, Debra Duerr

Public Visitors: The public was not able to attend this online meeting.

Housekeeping

After learning that a CWG member, Roy Chavez, has been hospitalized due to complications from the COVID-19 virus, the group asked the facilitators to send a card to him at Banner Desert Hospital.

John Godec asked the Town of Superior for an update on the COVID-19 situation. Wearing masks has become mandatory, and tomorrow the Town Council votes on an extension to this requirement. The business community is in favor of this. It was reported that there have been 51 cases in Superior including 3 deaths of lifelong residents, and this is starting to affect many people's awareness. In other Copper Corridor communities, Hayden has had 1 case, Winkelman has 17, Kearny has 20, and Globe has 103, but it's starting to slow. One of the main things the communities are trying to figure out is how and whether to open schools in mid-August; the current plan is to go back in-person but parents will probably have the option of online attendance. Because the student population is not as high as in other places it will be easier to social distance. CWG members emphasized that we can't be complacent in this situation, even with your own family, since others might have been exposed outside the home.

Pam Bennett mentioned that a new RV park is planned near Queen Valley, and the developers were introduced to Mayor Besich last week. She thought this could possibly be a place that could accommodate temporary workers for the Resolution Copper Project and could also support Superior's economic development initiatives. There will be 200+ sites on 60 acres, including an equestrian area and pool.

The Tonto National Forest appears to be, basically, closed but Jim Schenck wanted to let people know that the Legends of Superior Trail (LOST) is open even across Forest Service land.

Update on Social & Economic Studies for the EIS

Danny Court, LED Pollack & Co.

Trevor Barger & Karrin Robson, Arizona Strategies

Godec introduced this topic saying that it has been of interest to the CWG for quite some time. Hesston Klenk said this has been a discussion since the Draft EIS came out, since most reviewers and commenters were not happy with the socioeconomic analysis in that document. Resolution committed to further studies to better predict costs and benefits to the community.

Danny Court of LED Pollack & Co. presented a table outlining several scenarios assuming population during construction and operation of the project and associated public service costs and offsetting revenues. Resolution Copper Mining's (RCM) financial commitments to cover net costs to the community are estimated. In addition to what's shown in this table are RCM's ongoing funding of local resources such as the community center, education, and parks. Court does believe that, based on prior mining experience, new employees will want to set up permanent residence in Superior, and this can generate sales tax, local income, and new business investments. Klenk thanked the mayor and manager of Superior for all their work on

putting this analysis together. The Mayor observed that this is the way Environmental Impact Statements are supposed to work. CWG members agreed that this type of data was a big hole in the EIS, which disappointed members. They asked:

- Are these numbers fixed or can they change over the years? The goal is for the community to be self-sustaining, and proximity to the Valley is an advantage. Residents hope that opportunities will continue to grow, outside of the mine. If Superior is successful, the rest of the Copper Corridor will also benefit (Hayden, Kearny, etc.)
 - This is just a forecast and is always subject to change. The purpose of this analysis was to respond to the commitment that RCM has said they will make.
 - Todd Pryor pointed out that these are just baseline costs, which will change as employment and service needs change in future. There are a lot of costs and possible benefits that are not captured here.

Arizona Strategies representatives presented preliminary results from their current study of economic and redevelopment opportunities for the Town of Superior. Karrin Robson noted that Superior has amazing beauty and natural setting; she and Trevor Barger both grew up in the East Valley, and they know that Resolution wants the town to have a positive economic future. She said that their job is to help RCM do this. Barger noted that they usually work for private developers on very long-term projects. Most people don't appreciate how many different partners are needed to make these projects happen.

One of the guiding questions in the study they've undertaken is, "Is Superior a mining town or a town with a mine?". The community wants to be the latter. In this analysis, the "local" community was defined as Superior, and the "region" is the Copper Corridor. However, geographically Superior is equally close to Apache Junction as to Winkelman, so it sits on the border of two regions. A CWG member noted that they might be too convenient to the metro area because people can work in Superior but live in the Valley; this is not necessarily a desirable situation for the town.

Barger showed a map of the current and future Town of Superior boundaries after planned annexations, which would almost double the geographic area. Large parcels where new development could occur were identified, as well as possible redevelopment areas.

They looked at 'comparable' communities, including Bisbee and Jerome, in terms of proximity to major urban areas and tourist activity within the towns. These communities are similar to Superior because they are both historic mining towns. Geographically, Arizona Strategies considers that Moab is quite similar to Superior, and they get 3 million visitors each year because of the river, hiking trails, and mountain biking opportunities (supporting dozens of local businesses). Barger thinks that the trail system in Superior can compete with Moab. Most of the trails around Moab do not come into town to attract visitors to stay around where in Superior they do connect to town.

The downtown Superior area was also evaluated, in comparison to the very small downtown activity areas of Jerome and Bisbee. If all the Superior's downtown could be developed it would be much larger. Barger compared it directly to the area encompassed in downtown Gilbert that

has developed into a destination over the years. Kierland and downtown Tempe were also looked at as examples of similar types of downtowns (area-wise) with a focus on restaurants and entertainment. The ‘anchor’ location in Superior is the Magma Hotel corner. He explained that, historically, smaller areas are more successful, as evidenced by these other communities, so Superior should focus its efforts in a targeted smaller area. They feel that there should be two attraction areas, one along US 60 and one in downtown. The Town Manager pointed out that land availability is the biggest challenge for the town, since there are many mine-owned and private-owned parcels. BHP ownership of much of the highway corridor is a major challenge. Klenk suggested that the objective would be to get BHP to free up the lands to sell to Resolution, not to transfer to the Town of Superior since they are not structured to be a real estate company. Establishment of a development corporation was suggested to help implement a plan but this concept is just in an information-gathering stage at this time, and the CWG will be involved in planning as this initiative develops. It may be a good thing to approach BHP early to explain this concept to them, but it is recognized that there are corporate ‘silos’ between RCM and BHP that need to be negotiated.

CWG members asked what the next steps in this process will be. Barger said that they will begin talking to people recommended by the Mayor and Chamber of Commerce, such as merchants, to discuss connections and opportunities. They will then create a more detailed land use plan to evaluate parcel availability and see how the town might develop. The Mayor said she greatly appreciates the work that’s been done here, especially the comparison to other communities. She feels that owners along Main Street “will not budge” so other alternatives in other locations must be explored.

Godec asked for more discussion about what’s been done to address construction impacts during mine development. Trevor said the ease of the commute from the Valley means that there may not be a great deal of housing pressure on Superior. Rehabilitation of some properties in Superior is encouraging and he thinks that workers will take the ‘first available’ lodging. For example, could there be ‘high-end barns’ to accommodate RVs? Pryor thinks available rentals will be used by groups of employees, e.g. young men. There are 226 homes available, but not all are ready to move in. It’s thought that these will fill quickly with 4000 employees coming on board. This may lead to gentrification and a need for more workforce/affordable housing. This could mean higher density housing, for example, around school and land exchange properties, with the airport and the area north of US 60 more likely for commercial development. Town officials and RCM emphasized that there is no intention of allowing construction of so-called “man camps”, as some residents have feared. CWG members had the following comments and questions:

- A member observed that he would not like to see additional traffic signals or street lights.
- A member commented that “the fruit tree is growing, even though the fruit isn’t yet there”.
- Does this study include looking at tourism based on the Magma rail line?
 - No, but the town may be evaluating this.
- We seem to be at a sticking point on the BHP land, in that they don’t know what they’re going to do with it and the town doesn’t want to own a lot of land. Is there a plan to get around this issue and move forward with the BHP land?

- The town has a Municipal Properties Corporation (Council is the board) that could be used, but a better alternative is to work with RCM and BHP to find solutions.
 - Barger pointed out that more than just land is needed. They will need partners for development, infrastructure, etc.
- Will this information be folded into the Final EIS?
 - The studies and socioeconomic data developed by LED Pollack will be included in the FEIS.
 - The redevelopment work with Arizona Strategies will continue beyond the EIS.
- Will there be an analysis of how environmental mitigation will impact socioeconomics?
 - Yes. Such mitigation measures include facilities that RCM will build to support dark skies, moving the tailings site to 30 miles from town, some water-related mitigation, and recreation development are expected to have positive economic impacts.
- Are you familiar with the Forest Service township act, which makes 800 acres available to landlocked communities?
 - Todd Pryor said you need to go through an appraisal, and it would still be a financial challenge to accomplish this.
- The Town of Superior told the group that the Bronco Creek land exchange properties have been released from mining, but the town doesn't have the money to buy them (the potential for mining this area has been an issue of concern to the CWG for some time).
 - Barger noted that many developers never own the property, so there are other ways of accomplishing this.

Community Monitoring Update

The Community Monitoring Task Force met with Resolution and Montgomery Associates on June 30 to conduct the 2nd quarter well sampling. Jim Schenck reported that he's very impressed with Resolution's COVID-19 response policies and procedures in social distancing, safety, etc. The water levels in the sampled wells were higher than the group expected during this time of year. Montgomery thought this was because of the winter rains.

Public Questions & Comments

Due to restrictions for online meetings, the public was not able to attend this meeting.

Next Meeting

Wednesday, August 12, 2020

6:00pm