

**December 9, 2020
MEETING SUMMARY**

Meeting Attendees

Community Working Group members present:

Todd Pryor – Town of Superior
Jim Schenck – Rebuild Superior and Legends of Superior Trail
Fred Gaudet – Arizona Trail Association
Arlynn Godinez – Superior Unified School District Board / Maricopa County
Mila Besich – Town of Superior
JoAnn Besich – Superior Optimist Club
Jeff Bunklemann – Central Arizona College
Lynne Nemeth – Boyce Thompson Arboretum
Pam Bennett – Queen Valley Community Liaison
Fernando Shipley – Cobre Valley Regional Medical Center Board
Bruce Wittig – Queen Valley Water Department, Fire Department
Hank Gutierrez - Superior Copper Alliance
Silvia Werre – Top of the World

Community Working Group members not present:

Ricardo Provencio – United Superiorites
Rick Cartier – Superior Chamber of Commerce
Tweedy Armitage – Superior Historical Society
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
Mayor Bracamonte – Town of Winkelman
Gloria Ruiz – Town of Winkelman

Resolution Copper Company:

Hesston Klenk - Manager – Native American & Regional Government Engagement

Facilitators – Godec, Randall & Associates (GRA):

John Godec, Debra Duerr

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

Housekeeping

John Godec told the group that no one on the Community Monitoring Task Force is able to attend the 4th quarter well sampling tomorrow. He said it would be good if we could get another CWG representative to join this group in case of situations like this. Hesston Klenk volunteered to see if any local Resolution employees would like to volunteer. CWG members suggested contacting Sonny Medueno, Paul (?), or Pete Casillas.

Godec told the group that he got an email from Amanda Moors, who lives in Globe, asking if she could join the CWG meeting tonight. He had to explain to her that we can't accommodate the public at these online meetings. She's the regional director for the Wildlife Federation, so he wondered if the CWG would like to ask her to join the group. Fernando Shipley knows who she is and remembered that she used to work for the Forest Service. Nick Lund from the Recreation User Group is also interested in the CWG.

Several CWG members suggested that it might be a good time to add new members since we have lost a few members who don't seem to participate in meetings any longer.

- The group asked the facilitators to contact Amanda Moors.
- It was suggested that we wait to talk to Lund for a couple of months to get to know him better through the RUG.

Godec asked members to consider whether we should revisit the idea of having the public join, and if so, how can we accommodate this. CWG members asked if visitors could be muted while attending the meeting. A member mentioned that they were in an online meeting where you had to raise your hand to speak and the facilitator could admit them. The group is not interested in live-streaming their meetings on Facebook. If there's a way to control when visitors are able to speak, that would be an acceptable option.

- The facilitators will explore options to accommodate public attendance as observers.

Godec mentioned the new book *Oak Flat* and there was some discussion about that. The illustrated book presents perspectives of both the Apache and the Superior community, largely through interviews. Godec observed that many CWG members would know the folks highlighted in the book, including the Mayor.

Discussion of Social and Environmental Mitigation Measures & Commitments

Hesston Klenk, Resolution Copper

Hesston Klenk introduced the topic by saying that most at the meeting have seen the letters from Resolution, the Town of Superior, and comments on the Draft Environmental Impact Statement (DEIS). He'll summarize these at a high level, and address what the process will be beyond the approval of the Final EIS (FEIS).

He mentioned the media discussions, spurred by Rep. Grijalva, about the rumor that the EIS is being fast-tracked to gain approval under the Trump administration. In reality, the schedule is at least 6 months behind the originally publicized dates from the Forest Service. The Regional

Administrator of the Forest Service has confirmed this in a letter last week. The current schedule is issuance of the Final EIS in December 2020, with the Forest Service's Record of Decision (ROD) released in June 2021.

Klenk said that almost everyone involved in the EIS has been frustrated by the fact that – at the direction of the Forest Service - Resolution hasn't been free to discuss mitigation, in particular with the Town of Superior. Recently, the Forest Service has toned down this requirement and suggested that negotiations should be started.

He reiterated the major concerns raised in comments on the DEIS and briefly summarized Resolution's mitigation plans and commitments:

- Tailings
 - Everyone agrees that Skunk Camp is best.
- Water
 - Resolution is obligated to replace any water lost through its operations. Water will be kept out of the subsidence area to the extent possible. Queen Creek restoration and stream flows are an offset of the Sec. 404 permit for the benefit of the town. This was initially opposed by EPA but the mayor intervened and got this changed.
- Dark skies
 - There is a plan to manage facility lighting. Hesston showed a draft of the brochure being prepared.
- Recreation
 - Resolution has committed to the town to fund construction of the RUG trail plan within 6 months of the ROD. Maintenance of trails and the Castleberry Campground will be supported to a large extent, with additional support from other groups.
- Socioeconomics
 - Meetings are set up with the town to discuss and tie down funding and other support. Financial contributions will be established on a yearly basis, but the exact amounts aren't known yet. Resolution is meeting with the town to work this out, along with mitigation for streets and traffic management.
- Filter plant
 - It makes the most sense to leave it at Florence Junction, but there is additional work to be done before a final decision can be made.
- Housing
 - Creating housing opportunities is mainly focused on the BHP properties and whether they will be made available to the town. BHP has said they'll complete the voluntary remediation program and then they'll work with the town about divesting the lands. The town would like a firm commitment from BHP to do this.
- Roads and streets
 - Resolution recognized that their operations have had local impacts and they intend to address problems with funding for repairs, e.g. Magma Avenue.
- Climbing access
 - Resolution has been working closely with Queen Creek Coalition and has committed to keep traditional climbing areas open as long as possible and to build access to the Inconceivables area after the Notice to Proceed.

- Historic preservation
 - Resolution has worked with the State Historic Preservation Office (SHPO) on cultural resource mitigation. Resolution will create a cultural heritage fund that will be shared among Copper Corridor communities. A focus will be on historic building preservation and maintaining the local historic character. A CWG member wondered whether the cemetery would fall into the project category.
- Economic development
 - Resolution will create an endowment fund for something like a community development corporation for communities within the areas of their impact. The purpose is to spur economic growth. With this model, it wouldn't be a competitive grant but could be used to attract new development opportunities. Questions have to be answered about governance structure, for example, who would be the board, etc. Chicanos Por la Causa is an example of a governance structure that has been done successfully. Although economically focused, it would bring in other needs such as mental health.
 - CWG members reminded Klenk about the past work done by the CWG's community investment task force. Hesston said this would be different and would be more independent of the company or the town but would include all these voices.
 - Members felt that the larger community needs to be part of this planning, and Hesston agreed. Globe-Miami's structure might be a good model.
 - The town manager suggested thinking about a Good Neighbor Agreement.
- Emergency services
 - The current agreement expires early next year, but this will be extended to allow Resolution to maintain its annual funding levels adjusted for inflation. A new agreement will be developed based on what the EIS ultimately requires.
- Other mitigation
 - There are a number of other mitigation requirements stemming from state and federal regulatory processes, including groundwater monitoring and mitigation.
- CWG
 - Resolution is committed to funding the CWG in perpetuity.

There has been some misunderstanding of the difference between required versus voluntary mitigation, and the recent conversations with the town and stakeholders have been very beneficial in trying to define these and work out details. Some of this has to do with how to handle impacts that occurred independent of or before mining, such as Queen Creek drying up. Resolution wants to have others involved in this planning and monitoring.

Regarding the idea of Good Neighbor Agreements, an example was noted from Stillwater, Idaho, where everyone works together to agree on what each will do to address impacts. Resolution would, ideally, like to do that here, but there are already many individual agreements on specific subjects and components that complicate a broad holistic agreement. These would all need to be brought together under a larger framework. Todd said these are nice because they document agreements and provide consequences for failure to keep promises. He suggested that the CWG could play a role in developing and managing this mechanism.

Town of Superior representatives said they have already come to agreement with Resolution on most issues, and there are only a few that still need to be hammered out, e.g. water restoration and mitigation for Queen Creek. For socioeconomics, issues are down to funding, timing, and funding mechanisms. The emergency services agreement was offered as a good model for these aspects. The CWG should understand that there is more agreement than disagreement, and much progress has been made in the last month. By the time the EIS is finalized there should be plans for almost everything. The mayor felt that Rio Tinto is paying more attention to the local community, and is grateful for this. Superior representatives expressed appreciation for Resolution being willing to come to the table to address these issues. They feel confident that solutions will be found in the near future.

A CWG member asked what the difference is between a Record of Decision and a Notice to Proceed. Klenk explained that the FEIS will kick off a 90-day objection period. It's up to the Forest Service when they issue the ROD. Serious objections could delay it by requiring more study, for example. The NTP comes after the ROD is signed. This is the trigger for Rio Tinto to make a final decision about whether to continue funding this project. The NTP is a formal declaration by Rio Tinto to complete the project. The land exchange can affect this; for example, Resolution hasn't been able to drill out the full exploratory tunnels yet without access to the federal land.

Godec asked for clarification about what mitigation is contingent on beginning of subsidence, as has been rumored. Klenk clarified that the intention is not necessarily to wait until subsidence starts; mitigation could start about 10 years before subsidence occurs. For example, water mitigation started right away to plan for start of subsidence in 8 years at full production, and monitoring starts after subsidence begins.

The group asked for clarification on whether the emergency services contract includes Queen Valley. Klenk thinks it does but needs to check. He noted that these partnerships have been extremely valuable to Resolution. The town manager mentioned that a recent audit of emergency services showed that Superior is quite dependent on Queen Valley, and this works both ways. It's vital to both communities.

A CWG member feels that the company is building community equity by its actions even though Rio Tinto continues to say they don't have a project yet. Is there a hesitancy to commit to mitigation because it would be a liability if this project fails and someone else takes it over? No, but it's impractical to commit to long-term solutions when we don't really know the future decisions or risk factors. Everyone needs to be able to adjust as priorities shift, even for the Town of Superior. Another member suggested that it's a weakness of Rio Tinto that they keep asking their host communities to share the risk; that's not the town's job or their problem. If the mine goes away the town will still be here and must be whole no matter what happens. Resolution doesn't believe that they've asked the town to share risk but to understand that the company has significant risks.

It was suggested that any agreements need to allow 'pivoting' if things change in future by making specific commitments but allowing flexibility about specific mechanisms, funding needs, approaches, timing, changes in priorities, etc. Hesston agreed, and that is what Resolution is working toward. The town is looking for mechanisms, timing, and funding in developing firm commitments.

It was pointed out that socioeconomic issues of boom/bust are not unique to Resolution but have been experienced in the region for a long time. Mining and mining town economics have changed and will never be the same, and most of the problems stem from the taxation structure for mining and the ways it is, or is not, shared with local host communities.

A member asked if there is any agreement or mission statement that defines relationships between the CWG and Resolution. There are operating policies, but there is nothing exactly like what's described.

The group observed that this is more hopeful conversation than they had last month, due to a lot of work and coordination that's happened between then and now.

CWG Facilitation Contract

Hesston told the CWG that Rio Tinto wants to rebid the contract for group facilitation, since this has been a sole source contract to Godec, Randall & Associates. Sometime in the next few weeks the bid package will be sent out to several possible contractors. Hesston may ask some of the CWG members to join in reviewing the proposals that come in.

Public Questions & Comments

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

Next Meeting

Wednesday, January 13, 2021

6:00pm