

METALLIC MINING COMMITTEE MEETING MINUTES

December 10, 2012

Ground Floor Conference Meeting Room

Present were members Rollie Thums, Roger Ewan, Ray Soper, Dennis Fuchs and Myron Brooks. Also present were Attorney Bill Scott, Attorney Ken Schmiede, Kyle Noonan, Jess Sackmann, Steve Oberle, Arlen Albrecht, Paul Herder, Les Lewis, and Mark Berglund (*Star News*) and Sue Noland.

The meeting was called to order at 9:30 AM by Chairman Thums.

Motion by Soper and seconded by Fuchs, to approve the agenda as posted with 12 items. Motion carried.

Motion by Ewan and seconded by Brooks, to approve the minutes of the November 12, 2012 Committee meeting. Motion carried.

An update was given on the presentation given to the State Senate Mining Committee on November 29 in Madison. The WCA asked Taylor County representatives to give testimony on mining issues. Arlen Albrecht and Rollie Thums represented Taylor County. There were 3 other speakers at the session. Some areas discussed were areas of impact, how much money is needed, roads, water, etc.

The third draft of the Metallic Mining Ordinance along with proposed time line was discussed. Some of the areas discussed and/or changes to be made are:

- Specific Calculation to be clarified (maybe insert an example equation)
- Administrative Fees are located in 3 separate areas of ordinance and are listed as \$25,000; \$50,000; and \$100,000
- Financial Assurances for cash deposit for land value should also include rivers/waterways
- Performance Bond should have an end/release date
- Trust for land value possibility of a licensed real estate appraiser on board
- Discussed whether landowners may apply periodically/once/or if substantial change in circumstance
- State rules for storm thresholds will be checked
- Add language for transferring if landowner change
- The application fee should have a specific dollar amount listed
- Specify the purpose of each administrative fee
- Under Administrative Fee Procedures, (4) and (6) say the same thing – delete one
- The application for license shall be available to all public libraries in Taylor County
- Legal references should be added to License Modification (5)

→ Product from other facilities should be addressed for expansion of mining operations

Attorney Scott will update required changes for January meeting.

The draft Question & Answer regarding Metallic Mining was briefly discussed. There will be some changes to the draft, but will be used as an outline for radio and local paper updates.

Chapter Tax 13, Investment and Local Impact Fund, which establishes standards and procedures for issuing funds by a net proceeds tax to municipalities for costs of mining. There may be changes to this after new rules are set by the State.

Future public hearing on ordinance was discussed. A hearing could be conducted to make the public aware of the requirements for metallic mining. In some cases, an information meeting is first held with hearing to follow. Also, a notice could be published indicating the draft ordinance in all local libraries and on county website for viewing, and seek written public input on draft ordinance. This matter will again be discussed at the January meeting.

A proposal was discussed to install monitoring wells in the vicinity of the Bend project with assistance from Aquila. Mr. Herder indicated that his boss did not seem too responsive to this proposal. Committee also felt it may be too soon and we should wait until a Notice of Intent is received.

Other Business: The time line was discussed again in reference to adding a pause or halting if requested by the applicant. Mr. Scott will draft proposal and present at the January meeting.

The next meeting was scheduled for Monday, January 21 at 9:30 AM in the Ground Floor Conference Room.

Motion by Ewan and seconded by Soper, to adjourn at 11:50 AM. Motion carried.

Kyle Noonan
Zoning Administrator

METALLIC MINING COMMITTEE MEETING MINUTES

November 12, 2012

Ground Floor Conference Meeting Room

Present were members Rollie Thums, Roger Ewan and Ray Soper. Also present were Attorney Bill Scott, Attorney Ken Schmiede, Kyle Noonan, Jess Sackmann (until 10:45), Steve Oberle, Arlen Albrecht, Paul Herder, Jeff Peterson and Sue Noland. Marie Koerner was present for discussion of Item #4. Dennis Fuchs was an excused absence. Myron Brooks was absent.

The meeting was called to order at 9:30 AM by Chairman Thums.

Motion by Ewan and seconded by Soper, to approve the agenda as posted with 11 items. Motion carried.

The minutes of the October 15 meeting were discussed. A change to the minutes on the first page, third line from the bottom should read "...and surface water and **non**-degradation will be". Motion by Soper and seconded by Ewan, to approve the minutes as amended. Motion carried.

An update was given on the \$10,000 deductible with insurance company for Attorney Scott services. Marie Koerner was present. Mrs. Koerner indicated the county covers pre-claim and liability. The drafting of a mining ordinance would be considered pre-claim. The amount to-date at the end of October is \$64,330. The county pays a \$10,000 deductible and the insurance company covers the rest. The \$10,000 is per project and not paid on a calendar year with dollars to come from the Property and Liability Budget. It was also discussed that if there was a time lapse and then would require attorney assistance again, this would still be covered under the current deductible.

The second draft of the Metallic Mining Ordinance was discussed. A handout from Attorney Scott was passed out of substantial revisions to be incorporated into the ordinance that was mailed with agenda. It was pointed out there was not a specific standard for financial assurance for the County. It was felt this requirement should be added to the ordinance. Financial assurance ensures the county has access to funds and the State does not retain all dollars that are paid. This makes dollars available for the county to be spent when and how we deem necessary. Attorney Scott will draft specific financial assurance and describe purpose.

The ordinance was reviewed by page with the following comments/changes discussed:

- Page 1: Add titles to chapters in Statutory Authority
- Page 4: Add titles to Control of Environmental Pollution
- Page 6: Add federal to Notice of Intent to Collect Data and discussed whether to elaborate on intent to collect data
- Page 7: Questioned license issued to applicant on "same date" as State of WI permit is awarded
- Page 8: (i) additional assistance will be required to determine financial and technical ability
- Page 9: (g)(h)(i) all are specific to company's proposal and if county is not in agreement, then we can make Conditions of Permit

- Page 9: (7) discussed if should be more specific with company being more responsible for costs
- Page 10: first paragraph - the 30 mile radius will be changed to be within Taylor County
- Page 10: (3) if additional information is required by committee, review is halted BUT Page 20 indicates County Board may request additional information but should not lengthen time frame
- Page 10: 5.(1) fee should be changed from \$10,000 to \$25,000 and check what correct account name is for segregated account
- Page 11: (8) should be deleted – no expedited plan review
- Page 12: items listed in (c) refer to miles of the mine site and should state within Taylor County
- Page 12: should add 12. Applicant should notify adjacent counties.
- Page 12: concern that 2. Alternative Licensing Procedures would be a major undertaking
- Page 13: questioned what man-made meant in #3
- Page 14: Changes to Laws - talked about if company were to open license for modification
- Page 14: Administrative Fee Deposit – will add updated language
- Page 15: (2) clarified what one cycle of road use and rebuilding meant
- Page 15: (3) change 25 miles of the mine site to within Taylor County and also talked about lost property values and lost taxes
- Page 15: (4) discussed whether existing or new wells that are later contaminated – decided it should be existing wells at time of license

It was decided that after 2 hours of review, changes should be given to Attorney Scott for the remaining pages of the draft ordinance. Bill will prepare revised draft and red line the changes that were made.

Other business discussed was a document received from the US Forest Service on November 1, 2012 regarding the Mondeaux Hardrock Prospecting Permit Project Proposal and Initial Analysis for an Environmental Assessment on mineral prospecting in the Chequamegon National Forest in the Township of Westboro (33-1W) in Sections 10, 11, 12, 14, 15, 22 and 23. A prospecting permit would give the right to prospect and explore, but prohibits mining. Public comments can be submitted to USFS office.

Agenda items that will be carried forward to the next meeting are Q & A regarding mining ordinance, Chapter Tax 13 and draft letter to Aquila.

The next meeting was scheduled for Monday, December 10 at 9:30 AM in the Ground Floor Conference Room.

Motion by Ewan and seconded by Soper, to adjourn the meeting at 11:45 AM. Motion carried.

Kyle Noonan
Zoning Administrator

METALLIC MINING COMMITTEE MEETING MINUTES

October 15, 2012

Ground Floor Conference Meeting Room

Present were members Rollie Thums, Dennis Fuchs, Roger Ewan, Ray Soper, and Myron Brooks. Also present were Attorney Bill Scott, Attorney Ken Schmiede, Kyle Noonan, Jess Sackmann, Steve Oberle, Arlen Albrecht, Paul Herder, Tracy Benzel, Mark Berglund from *Star News* and Sue Noland.

The meeting was called to order at 9:30 AM by Chairman Thums. Kyle Noonan was introduced as our new Zoning Administrator.

Motion by Ewan and seconded by Soper, to approve the agenda as posted. Motion carried.

Motion by Brooks and seconded by Ewan, to approve the minutes of the July 16 Committee meeting. Motion carried.

The proposed 2013 metallic mining budget was reviewed. Submitted to the Budget Review Committee was a total budget of \$2050. The budget covers costs for office operations, meetings/education and updating materials.

Steve Oberle gave an update on private well research and testing update. There are 4 wells located within a 2 mile radius of the Bend site. Three of the 4 gave permission to access property to view their well sites. There were 20 spots in the National Forest of mostly surface water that had water samples taken and a few camp site wells. Steve indicated that water level monitoring at the Bend site can also be available.

The draft Metallic Mining Ordinance was discussed. Mr. Scott indicated there are 2 possible ways to address the "Standards" section. Either all the specifics can be spelled out or a reference could be made to comply with State Standards. Bill indicated that state standards are adequate to protect the health, safety and welfare of residents. Also discussed were State standards will be used for groundwater and surface water and degradation will be removed from draft ordinance. Areas that will be more detailed are roads, financial assurance, and property values. Expand monitoring well requirements past the reclamation. Develop an inflation index for Well Fund. Administrator questioned whether federal regulations would be addressed in ordinance. After a lengthy discussion, it was unanimously agreed by Committee to use State Standards as set forth in 2012 and will require general conditions of licensing for more specific data.

A proposed timeline was discussed. The ordinance will be redrafted and submitted to Zoning in 2 weeks. The Zoning office will sent out for Committee to review for November 12 meeting. Mr. Herder indicated that previously Aquila may be willing to assist with monitoring well installations and also gave a brief overview of the company's progress.

Discussion on Chapter Tax 13 was postponed until the November meeting.

A draft letter to the Governor asking for Mining Investment Local Impact Fund Board be reinstated was discussed. Attorney Scott indicated we would be the 3rd party to request the board reconvene for disbursing funds. Motion by Fuchs and seconded by Ewan, to send letter to Governor and all other parties as suggested.

Noland reported letters from USFS and BLM have been received indicating the appropriate individuals to contact for maintaining open communications throughout this and all future projects. An email group will be started for all future correspondence required.

The next meeting was scheduled for Monday, November 12 at 9:30 AM in the Ground Floor Conference Room.

Motion by Soper and seconded by Fuchs, to adjourn the meeting at 11:30 AM. Motion carried.

Kyle Noonan
Zoning Administrator

METALLIC MINING COMMITTEE MEETING MINUTES

July 16, 2012

Ground Floor Conference Meeting Room

Present were members Rollie Thums, Dennis Fuchs, Roger Ewan, Ray Soper, and Myron Brooks. Also present were Attorney Bill Scott, Larry Peterson, Jess Sackman, Steve Oberle, Arlen Albrecht, Town of Grover: Tony Kiselicka, Yvonne Schwarz and Mary Quante, Jeff Peterson (Town of Westboro), Les Lewis, Mark Berglund from *Star News* and Sue Noland.

The meeting was called to order at 9:30 AM by Chairman Thums.

Motion by Fuchs and seconded by Brooks, to approve the agenda as posted. Motion carried.

Motion by Ewan and seconded by Brooks, to approve the minutes of the June 18 Committee meeting. Motion carried.

A Letter of Understanding (LOU) between Taylor County & Bureau of Land Management (BLM) regarding communications on metallic mineral activities in the Chequamegon National Forest was reviewed. The letter requests cooperation in establishing and using an efficient system of communications to inform one another of important mining issues, permit info, status changes, etc. The LOU that will be sent to the BLM and USFS will also state we have an official Metallic Mining Committee which is our Local Impact Committee. The point of contact will be the Taylor County Zoning Office. It was decided to not include the DNR and Indian Tribes in letter as we do not want to speak for those agencies. Motion by Ewan and second by Fuchs, to approve LOU as written with Greg Knight being the US Forest Service contact person, Taylor County Zoning Office of County contact and include email and phone number, and insert that Taylor County's Metallic Mining Committee is the Local Impact Committee in the first paragraph. Motion carried. Mr. Thums will sign the letter.

Existing historical groundwater and surface water data was discussed. Albrecht reported a local 4-H Club had done water sampling downstream of the site on a private property. That individual is more than happy to furnish that collection data to the county.

Peterson reported that the portion of the Yellow River upstream from Miller Dam is on the Outstanding Resource Waters listing in NR102.

Oberle stated the Land Conservation Department has been doing well water testing for a number of years. He passed around a groundwater study which was done in August 2011. There are not a lot of wells in the proposed mine area to review data on. An email was received from Ken Bradbury about testing the one well in the area and also would assist in setting up a valid sampling program. Steve will research properties going out a one mile radius of site and report back any other local wells. He will also get approximate costs if a sample of the existing well on the Ogle property were to be tested for metals, sulfate, ph, etc., prior to the Notice of Intent being filed. The State will eventually be moving into Taylor County to do extensive groundwater monitoring as part of the USFS project.

Attorney Scott discussed state statutes 70.375 Net Proceed Occupation Tax, 70.395 Distribution/Appportionment of Tax, 293.33 Local Impact Committee (LIC) and 293.41 Local Agreements. He stated the county will be eligible to receive dollars from deposits put out by Mining Applicant. LIC would decide how dollars are spent and how to request dollars. The statutes also identified what the money can be spent on. It was suggested to notify the State/agencies that we have a Metallic Mining Committee established. Also, a letter should be sent to the Governor requesting reinstatement of Mining Investment Local Impact Fund Board.

We had received notice that HudBay Minerals is abandoning their US projects and will focus on South American ventures. Therefore, the Bend site is completely Aquila's and they will be recruiting other investors to possibly do the actual mining.

Attorney Bill Scott suggested that Taylor County adopt a police power ordinance rather than a zoning ordinance. A police power ordinance would be better for the County because of our lack of County Zoning. Also, police power authority has recently been tested in court and was upheld. Mr. Scott stated he could prepare a simplified ordinance that referenced State and federal requirements; or he could prepare a lengthy (approximately 40 pages) ordinance spelling everything out. It was the consensus of all parties in attendance that the simplified version be drafted which will outline NR 132 Metallic Mining requirements and also address local concerns and impacts.

The next meeting was scheduled for Monday, August 20 at 9:30 AM in the Ground Floor Conference Room.

Motion by Fuchs and seconded by Ewan, to adjourn the meeting at 11:25 AM. Motion carried.

Lawrence G. Peterson
Zoning Administrator

MINING COMMITTEE MEETING MINUTES

June 18, 2012

Ground Floor Conference Meeting Room

Present were members Rollie Thums, Dennis Fuchs, Roger Ewan, Ray Soper, and Myron Brooks. Also present were Attorney Bill Scott, Corporation Counsel Ken Schmiede joined at 9:40, Paul Herder from Aquila, Larry Peterson, Jess Sackmann, Arlen Albrecht, Tony Kiselicka joined @ 10:05 (Town of Grover), Jeff Peterson (Town of Westboro), Mary Quante, Mark Berglund (Star News), and Sue Noland. Excused absence was Steve Oberle.

The meeting was called to order at 9:30 AM by Chairman Thums.

Motion by Ewan and seconded by Soper, to approve the agenda as posted. Motion carried.

Motion by Soper and seconded by Brooks, to approve the minutes of the May 21 Committee meeting. Motion carried.

An ordinance to amend Section 2.08(24), Nomination of Standing Committees by the Committee on Committees and Rules, County Board, Taylor County Code was reviewed. Questioned was why in the proposed changes that Westboro and Grover were specifically listed as voting members of the Metallic Mining Committee. Commented was the fact that any township that has an interest can be an ex officio non-voting member and have input into discussions. Other comments noted that by having (2) Town Board members of the Mining Impact Committee could relieve towns of having to form their own local Impact Committee. Also discussed was the importance of having the same members on the committee to have some continuity for ordinance completion.

The proposed changes to Chapter 2 amendment are as follows:

(b) The Metallic Mining Committee shall consist of five county supervisors appointed by the County Board ~~to serve staggered terms not to exceed two (2) years, including, to the extent possible at the time of appointment, one supervisor from each supervisory district where metallic mineral exploration, prospecting or mining is proposed or conducted, one (1) representative from Westboro and Grover;~~ and certain ex-officio non-voting members including the Zoning Administrator, County Conservationist, Highway Commissioner, ~~and~~ University of Wisconsin Extension, Community Resource and Economic Development Agent and such other ex-officio members from affected municipalities and tribal governments substantially affected by potential or actual mining as the Metallic Mining Committee deems appropriate. The membership of the Metallic Mining Committee on the date of the adoption of Section 2.08(24), Taylor County Code, shall continue in force until the end of their respective terms, at which time the County Board ~~Chair~~ shall either reappoint or make new appointment of such members.

1. Analyze implications of exploration, prospecting and mining and investigate the ~~probable~~ possible impacts that exploration, prospecting and mining would have on the County and its residents and transients;

8. Anticipate the need for and prepare the County Board to authorize mineral exploration, prospecting or mining activities on Federal, State, County, local and private-owned lands;

12. Formulate recommendations to the County Board on how to ~~spend~~ utilize, distribute or invest funds received by the Metallic Mining Committee from the County or the investment and local impact fund board under Sections 70.395 (2)(g) and 70.395(2)(d), (fm) and (g), Wisconsin State Statutes;

13. Negotiate local agreements under Section 293.41(3), Wisconsin State Statutes, for approval by the County Board after public hearing;

(g) The Metallic Mining Committee shall provide periodic status reports to the County Board regarding the Metallic Mining Committee's objective, work initiatives and work

products, as requested by the County Board ~~but not less than quarterly and or as otherwise~~ deemed appropriate by the Metallic Mining Committee. ~~Each~~ An annual report to the County Board shall include a written summary of the then current exploration, prospecting and mining issues and the Metallic Mining Committee's accomplishments during the preceding twelve months and objectives, action plan and timetable for goal attainment during the upcoming twelve months.

Motion by Fuchs and seconded by Soper, to approve draft ordinance with amendments. Motion carried. These changes will be made and presented at the June 20 County Board session.

The input and accuracy of statements from the BLM and US Forest Service from last month's meeting regarding working with local government was discussed. The BLM was asked to provide info that Taylor County was notified. The BLM has a huge workload and feels this project is just speculative. The time-frame will be very lengthy. BLM feels the project is their jurisdiction and the county does not have a role. Attorney Scott suggested a Memorandum of Understanding letter be drafted outlining our expectations with the BLM, who we contact with questions and appropriate type of communication with the specified contact. Attorney Scott will work on memorandum with input from Zoning Administrator and Extension Agent. Attorney Scott also suggested passing a "police power" ordinance rather than a local zoning ordinance as zoning would be only a small portion of the ordinance.

Monitoring groundwater to establish baseline conditions was discussed. Attorney Scott has contacted an individual at the USGS and he indicated there is 1 well at site. Groundwater quality has never been tested. The 1 well would only determine water table fluctuation. Once the mining company files Notice of Intent we would be notified. The County really doesn't need to spend the money now for groundwater monitoring. Rather, ORW and ERW data will be reviewed for the Yellow River and do research to acquire existing data for groundwater and surface water information already established from past studies and monitoring.

The draft Mining Ordinance that was drafted by Attorney Scott and handed out at last meeting should continue to be reviewed and will be discussed at the July meeting.

The next meeting is Monday, July 16 at 9:30 AM in the Ground Floor Conference Room.

Motion by Ewan and seconded by Foxy, to adjourn the meeting at 11:40 AM. Motion carried.

Lawrence G. Peterson
Zoning Administrator

MINING COMMITTEE MEETING MINUTES

May 21, 2012

Ground Floor Conference Meeting Room

Present were members Rollie Thums, Dennis Fuchs, Roger Ewan, Ray Soper, and Myron Brooks. Also present were Attorney Bill Scott, Corporation Counsel Ken Schmiede, Theresa Bodus from BLM, US Forest Service reps: Greg Knight, Jane Darnell, Bob Hennes, and Leesha Howard-McCamley; Esteban Chiriboga from GLIFWC, Ann Coakley from DNR, Ted DeMatties and Paul Herder from Aquila, Larry Peterson, Steve Oberle, Jess Sackman, Arlen Albrecht, Lyle & Yvonne Schwarz (Town of Grover), Jeff Peterson (Town of Westboro), Mary Quante, Mark Berglund (Star News), and Sue Noland.

The meeting was called to order at 9:30 AM by Chairman Thums.

Motion by Ewan and seconded by Fuchs, to approve the agenda as posted. Motion carried.

Motion by Soper and seconded by Fuchs, to approve the minutes of the April 23 Committee meeting. Motion carried.

There were many new individuals present at the meeting so everyone introduced themselves and the organization they work with.

Theresa Bodus, from the Bureau of Land Management (BLM), gave an overview of how mining operations work at the federal level. She indicated that a Prospecting Permit is the first step and is good for 2 years. This permit requires a plan and complete and successful National Environmental Policy Act (NEPA). A NEPA is a study done for environmental analysis on air, water, and various species. Currently Aquila (and prior companies) had an initial 2 year term plus a 4 year extension, which has expired. The second step is an Exploration License. This is a plan on how they are going to explore on the site. The current NEPA was reviewed in 2004 and no new environmental impacts were discovered, so BLM/USFS approved original NEPA for the new Aquila permit. The State and Federal can do a NEPA separately or jointly. If no significant impact, then an EA (Environmental Assessment) is done. If a more detailed analysis of the action is required, an EIS (Environmental Impact Statement) would be done. Also discussed were roads and who has control of them. It gets especially confusing when the town receives gas tax and the USFS contributes dollars towards the roads.

Also discussed surface and sub-surface rights. When an individual owns the surface rights and a different party has sub-surface rights, both parties are involved. This is called split estate. Surface owners can require stipulations such as no roads, fencing, etc., but cannot deny access.

Board members and administrative people present were troubled about how to be involved and how to be a "cooperating agency". The BLM and USFS reiterated that this process is all public and they work together with governmental agencies. But yet, we can't request to be put on mailing lists to receive information as it becomes available unless we are a cooperating agency.

Discussed was the fact with all the federal and state regulations, if a mining company wanted to pursue mining, the BLM, USFS and DNR regulations will more than cover county ordinance requirements. The steps from application, to lease, mine plan, how to process and the Notice of Intent can take numerous years. An investment of anywhere from 2 million to 200 million dollars is required for this process.

Greg Knight, USFS, reported that a couple years ago a groundwater study with monitoring wells and inventory was started in the Bend project area. The groundwater inventory conducted is within the Chequamegon Forest and is being conducted on watershed basis. They are anticipating in a couple years to be on Taylor County Forest Rd 112.

This is a broad inventory. If mine site proceeds, then more detailed monitoring wells will be required specific to the site. We are interested in baseline data so initial monitoring wells go in before any mining is started.

Mr. Fuchs questioned with all the rules in place by federal and state, the need to proceed with a county ordinance. We will still want to address County highways and roads, tax base line, certain jurisdictions of the county, request to have economic fix for any problem, be able to negotiate stand along agreements, etc. Attorney William Scott pointed out it is important to have an ordinance and committee established as Local Impact Committee. The County will have different wants which are basic to regulate or deny permits. Also discussed was the County should reference current State & Federal regulations to insure those regulations are in force even if the State & Federal regulations are changed.

A draft of the Mining Committee responsibilities as prepared by Attorney Scott was reviewed. The functions of the 5 members of the committee need to be established so they can become the Local Impact Committee eventually. The committee will be the primary decision makers. We need to pass an ordinance with the County Board being the issuance agency for mining permit. The Mining Committee would "run the ship" and do the work. They may be an overlap with other committees, ie. Land Conservation, Zoning and Highway.

Potential dollars that would come from local impact was discussed. This should be segregated dollars and spent for specific purposes decided by the Mining Committee. This would entail setting up segregated accounts for mining revenues and disbursement.

The revisions for Chapter 2 should be reviewed further by the Committee and will be discussed again at the next meeting.

The Committee should also review the draft Mining Ordinance that was drafted by Attorney Scott and this will also be reviewed further at the next meeting. One area that was discussed and should be added to the draft is the fact that if the State drops any regulations, it is still covered by our local ordinance.

The next meeting is Monday, June 18 at 9:30 AM in the Ground Floor Conference Room.

Motion by Fuchs and seconded by Ewan, to adjourn the meeting at 12:30 PM. Motion carried.

Lawrence G. Peterson
Zoning Administrator

MINING COMMITTEE MEETING MINUTES

April 23, 2012

Ground Floor Conference Meeting Room

Present were members Rollie Thums, Dennis Fuchs, Roger Ewan, Ray Soper, and Myron Brooks. Also present were Attorney Bill Scott, Ted DeMatties from Aquila, Larry Peterson, Steve Oberle, Jess Sackmann, Arlen Albrecht, Tony Kiselicka (Town of Grover), Jeff Peterson (Town of Westboro), Ken Schmiede, Mary Quante, Mark Berglund (Star News), and Sue Noland. Les Lewis was present for a portion of the meeting.

The meeting was called to order at 9:30 AM by Chairman Thums. New committee member Myron Brooks was welcomed.

Motion by Ewan and seconded by Soper, to approve the minutes of the March 23 Committee meeting. Motion carried.

Motion by Soper to approve the agenda as posted, seconded by Fuchs. Motion carried.

Attorney William Scott was introduced as a partner with Gonzalez, Saggio & Harlan. Larry Peterson had talked to Marie Koerner, county insurance contact, to see if any assistance was available to get an outside perspective from someone who had knowledge of mining. Mrs. Koerner indicated a "pool" of attorneys is available to minimize the potential of a law suit. This loss prevention is paid through insurance premiums that are paid and is available for our use. Services are paid by an escrow account. Mr. Scott gave an overview of his professional abilities. His legal practice is on environmental and natural resources law. Mr. Scott has experience as a geologist for 7 years. He represents regulatory permitting, compliance, environmental impact analysis, soil and water remediation, and mining and water law. Mr. Scott has the background knowledge from various activities he has been involved with to effectively draft an ordinance.

Various items pertaining to mining were discussed. Mining companies need to comply with State regulations which are highly monitored; therefore county can review other agency approvals but can still restrict an activity through county's permit. Mr. Schmiede and Administrator Peterson would work closely with Attorney Scott on certain issues to fit Taylor County's needs. Ordinance should discuss various land ownership, environmental issues and procedures. An Environmental Impact Committee would have to be set up in the future. Monitoring wells should be required at mining company expense and Taylor County's approval. Mr. Scott would prepare an outline with areas to address and we would decide if draft ordinance is adequate or need more detail. Also discussed a trust fund to be set up to ensure monies in the future for environmental issues resulting from mining operation. Ordinance should reference state codes in force at time of adoption in case regulations are changed in the future. It was the general consensus of the committee that it would be advantageous to proceed with this attorney who has the knowledge and expertise. A tentative timeframe to produce a draft ordinance of items to be addressed to suit local needs would be 2 months. Monday meetings also work well for Mr. Scott.

After a lengthy discussion, Soper made a motion to retain Mr. Scott's services to draft a mining ordinance for Taylor County, seconded by Fuchs. Motion carried. Mr. Scott will contact the US Forest Service and Bureau of Land Management to also get their input. Other interested groups will also be contacted to let them know what the Mining Committee is working on. One such group will be the Indian Fish & Wildlife Commission.

The next meeting is Monday, May 21 at 9:30 AM in the Ground Floor Conference Room. Mr. Scott will be attending that meeting. We will also discuss existing monitoring and groundwater activities.

Motion by Fuchs and seconded by Ewan, to adjourn the meeting at 11:25 AM. Motion carried.

Lawrence G. Peterson
Zoning Administrator

MINING COMMITTEE MEETING MINUTES

March 26, 2012

Ground Floor Conference Meeting Room

Present were members Rollie Thums, Dennis Fuchs, Roger Ewan and Ray Soper. Also present were Paul Herder from Aquila, Larry Peterson, Steve Oberle, Jess Sackmann, Tony Kiselicka (Town of Grover), Mary Quante, Mark Berglund (Star News), and Sue Noland. Arlen Albrecht was an excused absence. Town of Westboro was not represented. Les Lewis was present for a portion of the meeting. Scott Copenhaver was absent.

The meeting was called to order at 9:30 AM by Chairman Thums.

Motion by Soper and seconded by Ewan, to approve agenda as posted. Motion carried.

Motion by Fuchs to approve the minutes of the February 27 Committee meeting, seconded by Soper. Motion carried.

Sample ordinances for preparing outline for Taylor County ordinance were discussed. A draft outline prepared by Arlen Albrecht was handed out. Comments/suggestions made for ordinance requirements were:

- Ordinance should meet legal scrutiny

- Review net proceeds tax section in detail in the future

- The question was asked, "What should we regulate?"

- Should address both open pit and shaft mining in one ordinance

- Should include 4 areas of mining being exploration, prospecting, mining, and reclamation

- Transportation or County/Town road issues (briefly discussed traffic impact analysis)

- Towns should have their own ordinance dealing with roads

A draft outline was prepared by the Zoning office for a draft Metallic Mining ordinance which indicates authority, scope, purpose, some definitions, and subheadings of areas to address. This was a partial outline gathering information from all 3 sample ordinances. We will tweak the outline more and send out to the committee with the next meeting agenda 1-2 weeks prior to meeting.

Next meeting was set for April 23 at 9:30 AM in the Ground Floor Conference meeting room.

Additional information was added to the binders. The 3 sections added were Local Decisions; Permitting Process; and Net Proceeds Tax. In the future we will add NR chapters so they are available for ordinance preparation.

Administrator Peterson indicated he has talked to the US Forest Service and invited them with the Bureau of Land Management to a future meeting. They felt they could attend the May meeting. Tentatively, the meeting is scheduled for May 21 with discussions with USFS and BLM at 10:30-11:00 AM.

Discussed was the importance of groundwater monitoring wells being installed. Many counties had post-problems with sites. Historically, they did not have a baseline for comparison for water quality testing. An evaluation should also be done for surface water. This is also a subheading for our draft ordinance.

For the next meeting, members should review the draft outline sent to them and start filling in details.

The next meeting is Monday, April 23 at 9:30 AM in the Ground Floor Conference Room.

Motion by Ewan and seconded by Fuchs, to adjourn the meeting at 11:15 AM. Motion carried.

Lawrence G. Peterson
Zoning Administrator

MINING COMMITTEE MEETING MINUTES
February 27, 2012
Ground Floor Conference Meeting Room

Present were members Rollie Thums, Dennis Fuchs, Roger Ewan and Ray Soper. Also present were Ted DeMatties and Paul Herder from Aquila, Larry Peterson, Steve Oberle, Jess Sackmann, Tony Kiselicka (Town of Grover), Mary Quante, Mark Berglund (Star News), and Sue Noland. Arlen Albrecht and Jeff Peterson (Town of Westboro) were excused absences. Scott Copenhaver was absent.

The meeting was called to order at 9:30 AM by Chairman Thums.

Motion by Soper and seconded by Fuchs, to approve agenda as posted. Motion carried.

Motion by Fuchs to approve the minutes of the January 24 meeting and the February 16 tour minutes with one correction of 1 in a thousand not million sites actually proceed with mining, seconded by Soper. Motion carried with amendment.

The Aquila tour was discussed. Comments made were that it was an interesting tour and informative; good presentation on technical aspects; explanation of goals and probabilities of success; and impressed with angled drilling. One request made to the Aquila people present was to obtain a copy of their exploration permit. They will furnish the Zoning office with a copy.

There were 4 different videos/you tube presentations watched. They were Aquila Resources about the Back 40 project; Froth floatation process; Precious waters about the bad effects of mining in Minnesota; and Huge equipment in an open pit mine.

Binders were discussed and additional information was added. The binders are set up with these categories at the present time after additions were made: metallic mining, overview of metallic mining in Wisconsin, Aquila, State Statutes 293, other county ordinances, bend project and acid mine drainage. We will continue to add materials as necessary.

Currently we have ordinances for Oneida, Rusk and Florence Counties. There is no model ordinance from the State to follow, so Taylor County will develop their own. Committee briefly discussed the Towns and US Forest Service involvement for ordinance development. The Forest Service is immune from many regulations. It was felt the county and towns should try to coordinate efforts.

Some issues that need to be addressed are inventorying roads and bridges for who has authority, who is responsible, etc. A traffic impact analysis should eventually be done. Other items are surface waters, groundwater, air quality, and financial arrangements.

A very important factor is to educate the public. Possible ways are with public hearings, and radio and newspaper articles. Mr. Herder indicated that one community had created an alliance for progress with a group of local leaders which held forums related to economics and had panel discussions. Individuals on the alliance were groundwater specialist, chemistry teacher, and representation from agricultural, legislature, farming, and mining. It could be that the Economic Development Foundation for Taylor County could be responsible party to carry out this task. Pointed out was the fact that the county should remain neutral and focus on meeting the required regulations in the best interest of the county regardless of who or where mining may occur within the county. It was also pointed out that we need to develop a general mining ordinance which is all encompassing and not just addressed the Bend project in the ordinance.

For the next meeting, everyone should read sample county ordinances and be prepared to review item by item to develop an outline for potential ordinance categories.

The next meeting was set for Monday, March 26 at 9:30 AM in the Ground Floor Conference Room.

Motion by Ewan and seconded by Fuchs, to adjourn the meeting at 11:45 AM. Motion carried.

Lawrence G. Peterson
Zoning Administrator

MINING COMMITTEE TOUR MINUTES

February 16, 2012

The Mining Committee departed the Taylor County Courthouse at 8:40 AM and drove to Aquila headquarters located at N4480 County Rd E. Present were members Rollie Thums, Dennis Fuchs, Roger Ewan, Scott Copenhaver and Ray Soper. Also present were Dave Lemke, Jeff Peterson and Tim Roiger from the Town of Westboro, Tony Kiselicka from the Town of Grover, Larry Peterson, Steve Oberle, Arlen Albrecht, Sue Noland, Mary Quante, Tracy Benzel (Soil Scientist from Mercer) and Mark Berglund (Star News).

We met with representatives from Aquila and reviewed core samples from their exploratory drillings. Paul Herder welcomed us and indicated he will be our point of contact. Paul is an educational outreach coordinator. Ted DeMatties, Consulting Geologist, explained the procedures and what has been happening. Some of the information presented/discussed was:

- The headquarters normally employs 6 people; 4 geologists and 2 technicians
- We toured their office, rock cutting area, and storage
- They are drilling approximately 600' but down as far as 3000'
- Only about 1 in 1,000,000 sites that conduct exploratory drillings actually proceed with physical mining of product
- The original discovery and exploring were from 1986 to 1991 conducted by the Jump River Joint Venture
- The site was "found" by electromagnetic field in bedrock
- Nothing has been done at site since 2005
- Aquila has exploratory license from BLM (Bureau of Land Management) to explore in the National Forest on several sites
- There were 5 drill rigs on property, but one has been since pulled
- The objective is to come up with a resource estimate. If they find enough resource then a preference right lease needs to be obtained and then finally a permit through the federal government
- The 3 main agencies to deal with are Bureau of Land Management, US Forest Service, and the DNR
- A full blown Environmental Impact statement needs to be completed, along with Notice of Intent and Scope of Study before any mining can actually begin. This process could take up to 4 years
- Aquila is concentrating on 2 zones for drilling; copper zone and gold zone. In some areas the 2 metals are together and in other areas some gold is in its own separate zone. There is also pyrite (fools gold) mixed with copper
- A boring is every 100' on a vertical grid. They drill at a slant to get a better idea of how the deposit is configured

- Aquila emphasized they are only doing the exploratory drillings for Hud Bay, a Canada Mining Company
- There are 3 drilling rigs on main body and one exploratory rig in Lost Lake area
- Their exploratory license is for 2 years with extension if necessary
- They estimate there might be 5 million ton ore body
- The core samples that pull are split in half horizontally. One half of core is put in display box for viewing and evaluation by geologists onsite. The other half is boxed for record maintaining. The cores are logged in and recorded foot by foot. The other half of the cores is sent to Aquila's main office in Michigan for finite assaying
- There were a large number of boxes in storage from the drillings that were initially done in 80/90's. Aquila will also be able to use this data

We then traveled to mining site in Town of Westboro on Yellow River Rd. We viewed 3 different drilling rigs in operation. Each site is set up with sump area for waste water to be recycled. Area will be restored. Ted indicated they run 12 hour shifts, 7 days/week. They can drill approximately 100'/shift depending upon type of material. They pull cores every 10' for boxing. There are no acid operations in their drilling. One site we seen the core being pulled and boxed. The depth of the sample was at 1800'.

The tour was very informational and much information was obtained. It gave us all a better understanding of the procedures and processes that need to be followed.

The Mining Committee will meet on Monday, February 27, 2012 at 9:30 AM.

The Committee returned to the Courthouse at 1:20 PM.

Lawrence G. Peterson
Zoning Administrator

MINING COMMITTEE MEETING MINUTES

January 24, 2012

County Board Room

Present were members Rollie Thums, Dennis Fuchs, Roger Ewan, Scott Copenhaver and Ray Soper. Also present were Larry Peterson, Steve Oberle, Arlen Albrecht, Lester Lewis, Mary Quante, Mark Berglund (Star News), and Sue Noland.

The meeting was called to order at 9:30 AM by Chairman Thums.

Motion by Copenhaver and seconded by Ewan, to approve agenda as posted. Motion carried.

The organization of the committee was discussed. Administrator Peterson indicated the last time the mining committee met was in August 2001 for the purpose of banning cyanide use in mining. Peterson also reported that Oneida County's Mining Oversight Committee is comprised of one member from each of the following committees: Ag & Extension, Land Conservation, Finance & Insurance, Forestry & Outdoor Recreation, Planning & Zoning, and also a member of the County Board from a supervisory district in which mineral exploration, prospecting, mining or reclamation is taking place. The Town of Westboro county board supervisor is Lester Lewis. Les indicated he would be willing to attend meetings but it would not be necessary to be part of the Mining Committee. Other pertinent individuals for attendance would be a Town of Westboro and a US Forest Service representative. Peterson did talk with Greg Knight, USFS, and he indicated he is dealing with surface rights and the BLM deals with mineral rights. It was decided to leave the Committee composition as is with the exception to add ex-officio members. Courtesy copies of agendas will be sent to the Towns of Westboro and Grover, and the US Forest Service. It was also suggested in the future to include Cleveland, Ford, and Village of Gilman when road issues/hauling is discussed. Any necessary changes can be done at a later date.

The purpose of committee, goals & objectives and plan strategy was discussed. Each member indicated their goals with the following comments made: protecting roads, mining is good for providing jobs, protect what we have, bring knowledge for productive committee and viable ordinance, work for best interest of county and the environment, protect roads and water, do fact finding as mining site is headwaters of Yellow River and Cheq. Waters, and learn from other mining operations and mistakes.

Other comments/discussions made were different phases being exploratory borings, and the actual mining permit. Who has authority to issue exploratory permit. Address open pit mines along with shaft mining (the Bend project is a shaft mine). Review exploratory sites from the USFS on the Bend site and County Rd E site. Be aware that hauling could be by rail, by truck, on county roads and on town roads. Get current information on sulfide mining and identify the major types of mining. We need technical information on regulation and only basic concept of mining – not the details.

Background on mining in Wisconsin and the Bend project was discussed. The Bend project was looked at in the 90's. The second stage of exploring is to make site economically feasible. We would look at permits before goes. Hopefully, we would have 2 years before actual mining would start. There is information available from the exploratory work that was done 10 years ago.

We have 3 other county ordinances for Metallic Mining. They are for Oneida County, Forest County and Rusk County. The Zoning office will put a binder together of other county mining ordinances and other educational material for each Committee member. Members should be aware that Oneida and Forest counties are in the process of updating their current ordinances.

An ordinance to amend Section 2.08(24), Mining Committee, to include the Zoning Administrator, County Conservationist and University of Wisconsin Extension, Community Resource and Economic Development Agent as ex-officio members of the committee was discussed. Motion by Fuchs and seconded by Ewan, to approve ordinance amendment and present to the County Board. Motion carried.

Tentative timeline for ordinance completion was discussed. There will be nothing definite at this time. We will aggressively approach ordinance development by getting educated and conduct monthly meetings.

Other business discussed was mineral rights. Just because you own the land, you don't have mineral rights. Mineral rights are recorded on your property and filed with the Register of Deeds office. The railroad retained mineral rights on every other section in certain areas of the county as well as Cornell University.

The next meeting was set for Monday, February 27, 2012 at 9:30 AM.

Motion by Copenhaver and seconded by Ewan, to adjourn the meeting at 11:05 AM. Motion carried.

Lawrence G. Peterson
Zoning Administrator