

Laurentian Vision Partnership

Meeting XXXIX Report

"Planning and Project Implementation 2008"



Tuesday, May 20, 2008
Mining and Reclamation Classroom
Chisholm, Minnesota



Laurentian Vision Partnership

Meeting XXXIX

Tuesday, May 20, 2008

“Planning and Project Implementation 2008”

Meeting Objectives

The Facilitator reviewed the past meeting results and next steps, highlighted meeting objectives and went over the agenda for today’s meeting.

The primary objective for the meeting was to *learn about the status of the Mesabi Nugget Project, 2008 Legislative outcomes, and progress reports from Work Groups and Regional Groups on major new and ongoing implementation initiatives underway for 2008.*

Meeting Summary Laurentian Partnership Debriefing

- Participant introductions and expectations
- Opening comments
- Review of Meeting XXXVIII results and next steps (February 2008)
- Overview of meeting objective and agenda for the day

Presentation: 2008 Legislative Update

A legislative update was provided by Craig Pagel of the Iron Mining Association of Minnesota and Frank Ongaro of Mining Minnesota which is the non-ferrous mining trade association. Both were active lobbyists throughout the session and were involved in St. Paul right up to the closing gavel. Craig started with an overview of actions taken and proposals that were defeated during the session. He referenced the Tax Bill and commented on the production tax changes and capital projects rebate, Taconite Economic Development Fund and the Iron Range Renaissance Fund that was not approved. Other topics included a cap and trade bill for carbon and California like vehicle emissions bills that failed and policy work toward ballast water discharge standards, monitoring and reporting. This session was more about what didn’t change than what new legislation was passed. Overall Craig felt the session was positive for iron mining in Minnesota.

Frank Ongaro discussed the Omnibus Spending Bill developed in the last ten days of the session and emphasized that no additional restrictions were placed on non-ferrous mining. The net proceeds tax will remain the same. Efforts were made to have a hearing on a bill to consider developing new rules for non-ferrous mining. The hearing was never held. He commented on a legislative hearing that was held last December regarding the Dr. Powers/Sierra Club Mining Economic Impacts Report. He shared how regional representatives responded and the role our legislators played in making sure both sides of the story were presented in St. Paul. Another topic was related to solid waste. A moratorium was placed on new solid waste facility permitting and a directive given to the MPCA to rework the rules. This may affect some of the large scale projects and their solid waste disposal needs in the future. Finally, he commented on air permitting fees and the \$2 million commitment made in the 21st Century Minerals Fund to support the Magnetation Inc. project and new technology/process for recovering iron from natural ore stockpiles across the Iron Range.

All in all both of our speakers felt the session was a positive one for Northeast Minnesota and thanked the area legislative leadership for their support and watchful eye on key natural resource issues.

Presentation: Mesabi Nugget Project Update and Magnetation Inc. New Project Overview
 Larry Lehtinen, Chair Magnetation Inc.

Steve Rutherford had a last minute conflict in the Twin Cities and was not available to update the group on the status of the Mesabi Nugget Project. Larry Lehtinen, former project consultant for Mesabi Nugget and recent investor and chair of Magnetation, Inc. was in attendance and agreed to provide a report on both projects.

Mesabi Nugget is moving ahead, with construction well underway. Over 20 employees are on the project team. The foundation footings and steel infrastructure is being placed and work will escalate into the summer months as more construction is completed.

Magnetation Inc. is a new company formed in 2007 with pilot work completed and a patent pending process ready to proceed. Larry joined the company in January 2008. The operation will produce concentrate from natural ore stockpiles having about 65% iron content and 57% silica and tailings basins. There are existing stockpiles and tailing basins across the Iron Range. The company will begin with existing tailings basins and do hydraulic mining with an iron recovery rate from waste tailings approaching 70%. The initial scope will be in the 100,000 to 200,000 ton per year range to begin. The first project site is the Mesabi Chief south of Nashwauk/Keewatin which they own. They are seeking MDNR permits to proceed and expect to complete that process in July and begin production in September 2008. The product can be used as feedstock for the Mesabi Nugget plant or other iron making processes and as the tailings basins are processed, the company will be creating certifiable wetlands in the form of a wetland bank to sell in the marketplace. This \$6 million dollar business is a new venture that has received \$2 million dollars in operating funding provided by the 21st Century Minerals Fund and Iron Range Resources and has six regional investors providing the other \$4 million in equity. Forty new jobs will be created to start out. More information will be shared with LVP as the project/process evolves.

Partnership Priorities: Work Groups and Sub-Regional Group Reports

Individual work group representatives provided the following reports and next steps.

Action Areas	Work Group Priorities	Work Group Representative(s)	Update/Next Steps
Facilitating Regional Visioning	1. Web site "final" version Update and Use of Google Analytics	Jim Plummer	<ul style="list-style-type: none"> • URL – www.LVPMN.org <ul style="list-style-type: none"> – Changed banner – Site functional and up-to-date • Google Analytics demonstration on-line <ul style="list-style-type: none"> – Detailed site use statistics are available – Can setup a "Dashboard" to track pertinent use details
	2. Discuss Status of Regional Group Informational Meetings	Jim Plummer	<ul style="list-style-type: none"> • LVP PowerPoint <ul style="list-style-type: none"> – Used with regional group meetings <ul style="list-style-type: none"> o Emphasis on the competition for narrow land area along the iron formation • New DVD informational tool was developed to provide a good overview of LVP and its mission. Available for use.
	3. New Regional Group – Biwabik Area	Jim Plummer	<ul style="list-style-type: none"> • "East Central Range Partnership" <ul style="list-style-type: none"> – First meeting in May 2008
Delivering Tools & Resources	1. Marketing & Dissemination of Mine Map and Charrette Information to Key Stakeholders	Tim Pastika Jim Plummer	<ul style="list-style-type: none"> • Regional Group's first priority is going well • New map set/ 11x17 size for handouts • Biwabik and East Range presentations in June/July

	2. Underground Mine Mapping Project Update and Phase II Expansion Committee Report	Pete Clevenstine Tim Pastika	<ul style="list-style-type: none"> Update current project: \$300,000 <ul style="list-style-type: none"> PDF 150 MB of information <ul style="list-style-type: none"> Will add to the LVP Website Project will be completed at the end of June Should it be linked to other Web sites? MnDOT using the information now in their TH 169 land subsidence assessment Next is the East end – Phase II - \$300,000 will be needed <ul style="list-style-type: none"> Innovation grant request from Iron Range Resources - \$150,000. Will match with other funds from these and other possible sources: <ul style="list-style-type: none"> St. Louis County Mining companies MnDNR MnDOT
	3. Laurentian GIS Collaborative Update (Pilot Project)	Kara Kent	<ul style="list-style-type: none"> Project Phase will end December 31, 2008 Server and software is in place Biwabik added – seven (7) pilot communities Based on parcel data that is driven from the counties – St. Louis/Itasca Fieldwork is underway in the pilot communities Working out community data security issues Other funding development underway for next phase
	4. Mesabi Iron Range Large Scale Projects Map – General Update & Access	Tim Pastika	<ul style="list-style-type: none"> Last update was in February 2008 Update will be done this week by Jim West Range & Duluth Complex are now available on the MDNR site 11 x 17 versions will be on LVP Web site
	5. Minorca East Range Pit Charrette (Mittal Steel)	Tim Pastika Jeff Jacobs	<ul style="list-style-type: none"> Group is formed Setting project priorities
	6. LVP Training for Engineers Project Update	Dan Jordan Jim Plummer	<ul style="list-style-type: none"> Three day workshop is planned March/April 2009 target date August 2008 – fieldwork on design templates is planned John Koepke will make this a priority and lead the project
	Targeting Priority Projects	1. 2008 Mineland Reclamation Grants Round	Dan Jordan

Sub-Regional Group Updates

Four sub-regional groups provided an update on their major activities related to LVP.

Sub-Regional Group	Current Projects
CIRI - Lory Fedo	<ul style="list-style-type: none"> Strategic retreat held <ul style="list-style-type: none"> Sixty (60) attendees Economic development based Large scale projects were a major focus and reality check Will complete the strategic process at the next meeting Key focus is to disseminate information/communication

Western Mesabi Mine Planning Board - Doug Learmont	<ul style="list-style-type: none"> • Canisteo Mine Pit project to proceed <ul style="list-style-type: none"> – \$3.5 million approved by legislature • Itasca County has adopted provisions for mineland preservation <ul style="list-style-type: none"> – Zoning ordinance provisions adopted – Mapping done • Charrettes (2) still on hold <ul style="list-style-type: none"> – Minnesota Steel – KeeTac • LVP presentation went well – awareness very positive. Good feedback.
East Range Readiness Committee - Curt Anttila	<ul style="list-style-type: none"> • Nugget project is moving along and creating a lot of activity on the East Range • Housing need issues are the primary focus right now • Increasing business spinoff interest • Lack of industrial/commercial buildings to support development • Communication is more critical than ever as projects move ahead on several fronts and timelines
Quad Cities - Jim Plummer	<ul style="list-style-type: none"> • Need them back at the table • Will make another attempt to seek representation at the next meeting • Connie will bring up with the communities

Other Business/Discussion Topics

A. Range Readiness Initiative (RRI) Update - Randy Lasky

- Randy briefed the group on major RRI efforts planned or underway related to workforce development, housing, better communication and community readiness. A major housing market assessment has been developed and will be reviewed with the RRI Strategy Team in early June with a major regional event planned to introduce the findings with local officials, developers and other interests later in the month. The group will need to decide how to begin addressing housing needs for both temporary and workforce housing as new demands are surfacing. A new informational web site is being developed to provide up-to-date information on the projects and the work of the Range Readiness Initiative. The site will be launched in mid-June. A regional telephone interview poll was conducted on key development and environmental issues in April. The results will be shared with the RRI Projects Team of major large scale project representatives and the Strategy Team late this summer. A meeting of the Projects Team is planned for early June to brief them on activities since their last meeting in October and to discuss informational needs related to workforce, housing and their current project status. The Strategy Team is planning to meet on June 2 and again in August after the web launch and housing event in June. RRI representatives are available to meet with groups and organizations to share information and seek input on major initiatives underway or needed.

B. Future Topics

The group discussed a number of possible discussion topics highlighted on the agenda by the Coordinating Committee and settled on these for priorities for future upcoming meetings:

- Northeast Minnesota Wetland Task Force – reactivated (brief update)
- Mesaba Nugget – Steve Rutherford
- PolyMet and EIS Process – Joe Scipioni and/or LaTisha Gietzen
- Hwy 169 Corridor/Cluster - MnDOT

Coordinating Committee Meeting

The next Coordinating Committee will be held on **Tuesday, August 12th from 9:00 A.M. to Noon at the Mining and Reclamation Classroom**, at Ironworld Discovery Center in Chisholm.

LVP Quarterly Meeting

The next Laurentian Vision Partnership meeting will be held **Tuesday, September 23rd from 9:00 A.M. to 12:30 P.M. at the Mining and Reclamation Classroom** at Ironworld Discovery Center in Chisholm.



Laurentian Vision Partnership
Transforming pits and piles into lakes and landscapes

Meeting XXXIX

Tuesday, May 20, 2008– 9:00 AM – 12:30 PM
Mining and Reclamation Classroom
Chisholm, Minnesota

“Planning and Project Implementation 2008”

Objective

Learn about the status of the Mesabi Nugget Project, 2008 Legislative outcomes, and progress reports from Work Groups and Regional Groups on major new and ongoing implementation initiatives underway for 2008

AGENDA

- 9:00 Laurentian Partnership Debriefing**
- Participant introductions and expectations *Randy Lasky*
 - Opening comments
 - Review of Meeting XXXVIII results and next steps (February 2008)
 - Overview of the meeting objective and agenda
- 9:15 Presentation: Mesabi Nugget Project Overview and Update** *Steve Rutherford, Project Manager*
- 9:45 Presentation: 2008 Legislative Update** *Craig Pagel and Frank Ongaro*
- 10:15 Partnership Priorities: Work Group Action Progress Reports**
- Work Group Updates
 - 1) Facilitating REGIONAL VISIONING
 - Web site “final” version Update and Use of Google Analytics *Jim Plummer*
 - Discuss Status of Regional Group Informational Meetings: *Jim Plummer*
 - Western Mesabi Planning Board
 - Biwabik Area –“East Central Range”
 - Developed PowerPoint and DVD on LVP and Charrettes
- 10:45 Break**
- 11:00 Partnership Priorities: Work Group Action Progress Reports – cont.**
- 2) Delivering TOOLS and RESOURCES
 - Report on Marketing and Dissemination of Mine Map and Charrette Information to Key Stakeholders *Tim Pastika and Jim Plummer*

- Underground Mine Mapping Project Update and Phase II Expansion Committee Report *Pete Clevenstine and
Tim Pastika*
- Iron Range GIS Collaborative Update (Pilot Project) *Andy Hubley and Kara Kent*

- 11:20**
 - Mesabi Iron Range Large Scale Projects Map – General Update and Access *Tim Pastika*
 - Minorca East Range Pit Charrette (Mittal Steel) – Implementation Update *Tim Pastika and Jeff Jacobs*
 - LVP Training for Engineers Project Update *Dan Jordan and
Jim Plummer*

- 11:35** **Partnership Priorities:** Work Group Action Progress Reports – cont.
 - 3) Targeting PRIORITY PROJECTS
 - 2008 Mineland Reclamation Grants Round *Dan Jordan*
 - Process Review Comments and Suggestions

- 11:50** **Partnership Priorities:** Regional Group Action Progress Reports
 - Regional Group Updates
 - 1) Central Iron Range Initiative (CIRI) *Lory Fedo*
 - 2) Western Mesabi Mine Planning Board (WMPB) *Doug Learmont*
 - 3) East Range Community Readiness (ERJPB) *Curt Anttila*
 - 4) Quad Cities *Jim Plummer or
Quad Cities Representative*

- 12:15** **Other Business Updates**
 - Range Readiness Initiative (RRI) Update *Randy Lasky*
 - Future Topic?
 - Hwy 53 Corridor Study/Quad Cities
 - NRRI Mesothelioma Project
 - PolyMet and EIS Process
 - Other?

- 12:25** **What's Next?**
 - Next meeting date and agenda *Randy Lasky*
 - **Coordinating Group** – July/August _____ 2008?
 - Representative from each Work Group and each Sub-Regional Group
 - **Laurentian Vision Partnership** – August/September ____, 2008?
 - Wrap up announcements and conclusions

- 12:30** **ADJOURN**



Meeting Participants Laurentian Vision Partnership Meeting XXXIX

Tuesday, May 20, 2008 - 9:00 AM - 12:30 PM

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