

Laurentian Vision Partnership

Meeting XLII Report

"Planning and Project Implementation 2009"



Wednesday, May 27, 2009
Mining and Reclamation Classroom
Chisholm, Minnesota



Laurentian Vision Partnership

Meeting XLII

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“Planning and Project Implementation 2009”

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 review the results of the Legislative Session and its implications on the Region; learn about the status of the US Highway 169 Underground Mine Project; share the results and next steps related to Landscape Design Training and New Implementation Projects Workshop and hear progress reports from Work Groups and Regional Groups on major new and ongoing implementation initiatives underway for 2009.

Meeting Summary Laurentian Partnership Debriefing

- Participant introductions and expectations
- Opening comments
- Review of Meeting XXXXI results and next steps (January 2009)
- Overview of meeting objective and agenda for the day

Presentation: 2009 Minnesota Legislature/Industry Update Frank Ongaro, President, Mining Minnesota

Frank Ongaro reported on major legislative discussions and outcomes related to taconite and non-ferrous mining, the Outdoor Heritage Council and carbon tax policy implications. Craig Pagel was not able to join us and Frank will be covering all of the highlights. He described how anti-mining groups have been organizing and approaching the legislature in 2008 and again even more aggressively in 2009. Non-ferrous mining has been the focal point but it also has implications for taconite mining. They are opposed to more mining and have proposed financial assurance requirements and different fees to significantly delay projects or deter interest and support. The Iron Range delegation and MNDNR have all opposed this legislation along with the Governor, House and Senate leadership and a long list of bipartisan representatives and organizations. As a result, no hearing was held and the bill went nowhere. Another issue was a permit to mine fee for both ferrous and non-ferrous mining. These fees would replace MNDNR funds and expand the general fund. This would be an added tonnage cost burden on the mining companies. This will come back in the future as revenues get tight. We can expect both of these bills or similar measures to be proposed next year. The Outdoor Heritage Council will have hearings before the next session to deal with governance language; we need to pay attention to this because of the funding levels and importance of having northeast representation on the Council. Finally, there has been conversation about a state carbon tax but lawmakers seem to be in agreement that this should be addressed nationally. We will have to see how this shakes out over the coming year. Frank concluded and addressed several questions about the Polymet EIS review and what he expects from the anti-mining groups in the near term. They are not going away.

Presentation: Documenting Underground Mine Workings on the Mesabi Range in GIS Format - Updates, Insights and the Road Ahead Julie Oreskovich, MnDNR

Julie Oreskovich with MNDNR provided a PowerPoint presentation updating members on the underground mine mapping project and next steps. She reminded everyone that underground mining in the area dates back to 1892 which oftentimes makes it difficult to have the information needed to do a thorough assessment of all the

underground mines in the area. She highlighted the six step process and geography being covered in two study phases. Phase I from the Itasca County line to east of Kinney was completed and Phase II from east of Kinney to the east end of the Mesabi Range will be completed by June 30, 2010. The final GIS product and 3D images are available in PDF files and a two DVD set if needed. A web site is also being developed to showcase this information. MNDNR expects to do three more areas in the future. Those would include the West Mesabi Range, Vermillion Range and the Cuyuna Range. Members asked how this information has been used. So far it was key to helping address conditions along the Highway 169 corridor by MnDOT and for looking at Iron World and the structures and issues in this area near Chisholm. Julie will be asked to return when Phase II is completed to share those results in the later part of 2010.

Presentation: Landscape Designs and Project Implementation

John Koepke, University of MN; Jim Plummer, LVP Project Coordinator;
Julie Varichak, UTAC Engineer; Larry Schmelzer, Engineer, US Steel - KeeTac

The following highlights the discussion points and information shared by the team involved with training and pilot project implementation based on new landscape design principle and applications.

John Koepke – Engineer Training Workshop Overview and Outcomes

- Five workshop sessions were held
- Show generally what covered
- Land Shapers: “Mines are all local landscapes”
- Tony Bauer, Chris Carlson, John Koepke – develop/target
- Proposal to work with individual mining companies with templates came out of this process
- Landscape meanings – other perspectives?
- Need for – keep in mind
- Landscape suitability or landscape character – two approaches

John Koepke – Design Templates Project Proposal and Expectations

- Grant application was made to the Iron Mining Cooperative
- Intent is to work with mining companies to identify six sites to do design field tests
 - Want to apply different shaping solutions
 - Provide drawings and templates and set up as a test opportunity
 - Will work with both MnDNR and the mining companies collaboratively
- Unfortunately the project was not funded given the current economic situation today
- It is more long-range planning focused, but people are excited about the idea
- Template is being developed at UTAC & US Steel – We will work with them on land shaping and vegetation and then monitor this work with MnDNR
- Its long term planning with a short term project focus as well

Julie Varichak – UTAC Innovation Grant Project Overview

- \$125,000 Iron Range Resources
- Stockpile at UTAC, overburden stockpile
- Test and transfer these concepts to other stockpiles
- Different combination of shapes
- Different vegetation to change the profile and perception
- Sloping/seeding done this year – 2009
- Advance planning – spring 2010

Larry Schmelzer – KeeTac Project Overview

- Focus will be on rock dump/stockpile vs. surface dump development
- Future use will need stockpile and dump space that will go upwards
- The training workshop germinated this project
- The challenger is to figure out “How do we enhance future value and future use without increasing costs?”
- We will be using more natural features, changing forms and changing vegetation to see how that might work

Members had questions about benching and cost to do this approach. This work has long range land use implications, can reduce the footprint of the pile and will use a variety of materials many of which are already grown on state lands. It was pointed out that mine planning engineers face a lot of constraints as they try to meet requirements and balance that with cost considerations and host of other related issues. One thing is certain, the landscape and uses of mining lands will continue to change and the work we are doing is important for future generations and land use opportunities across this region.

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
Targeting Priority Projects	1. Mineland Reclamation Grants	Dan Jordan	<ul style="list-style-type: none"> • Appreciate LVP member reviews • Concern about the quality of applications • 2008 IRR distributed \$94 million • 19.5 million tons proposed in 2009 vs. 40 million tons in 2008 • \$2.258 per taxable ton • Preparing for next two years at Iron Range Resources. No Mineland Reclamation Grants to communities in FY 2010. • Wetlands issues: <ul style="list-style-type: none"> – Over 80% of pre-settlement wetlands are still in place – Most big project wetlands are in Lake of the Woods and Aitkin Counties. Political pushback on this geographic banking. – Wetland mitigation program changes are needed – \$250,000 to work on a wetland mitigation bank – We've worked with Ducks Unlimited about where wetlands could have more value and need – Three wetland replacements projects have been proposed by mining companies in Aitkin County and they have concerns about that happening. We can expect formula changes.

Presentation: Brownfield's Project Program Proposal by CIRI
John Fedo/Rick Crum

John Fedo and Rick Crum provided an overview of a proposed project and funding request by CIRI to the federal Environmental Protection Agency to do brownfield assessments across a multi-community area on the Iron Range. CIRI will be the applicant on behalf of seven communities. IRR is providing an Innovation Grant to match and support the project. Rick Crum gave a PowerPoint presentation explaining what a brownfield is all about and some of the liability issues that come into play and make it difficult to do development. He highlighted available assessment and cleanup grants and gave examples of unique mining areas in the region that will require some level of legacy cleanup to be reused in the future. CIRI will be looking for regional support as they pursue funding development. This is an economic development program tool for the region.

Action Areas	Work Group Priorities	Work Group Representative(s)	Update/Next Steps
Delivering Tools & Resources	1. Laurentian GIS Collaborative Pilot	Andy Hubley	<ul style="list-style-type: none"> • New secure interface is in place • Easier to use • Seeking funding for next phase • We want to add more communities and tools • Need \$40,000 <ul style="list-style-type: none"> – \$10,000 to finish the first process, switch over and recruit other communities – \$30,000 is needed to add the remaining Iron Range communities to the database • ARDC is providing GIS system and maintenance services for seven communities now • USGS grant request was not approved and ARDC will be seeking other funding alternatives
	2. Wind Project – Led by the SW Mn Initiative Foundation in		<ul style="list-style-type: none"> • Community based wind supply development project • Wind energy technical assistance to be provided by ARDC and wind consultants • Large and small scale wind projects are of interest

	cooperation with ARDC		<ul style="list-style-type: none"> • Wind energy development has some potential on the Iron Range • More will follow on this opportunity
	3. UMD Mining Impact Study	Dan Jordan	<ul style="list-style-type: none"> • This study was an outcome of discussions last year in response to the anti-mining contingent. • Implan was used as the regional Input/Output economic modeling program. • UMD prepared the study which highlights the significance of ferrous mining in the region and for the State of Minnesota and estimates that the potential of non-ferrous mining could mirror the economic impact of ferrous mining if it materializes in Minnesota. • Handout was provided and members were encouraged to go online to the UMD Bureau of Business and Economics web site to download and read the whole study.
Facilitating Regional Outreach	1. LVP Coordinators Report <ul style="list-style-type: none"> ○ Mining 101 ○ LVP Design Guidelines 1011 ○ Web site use 	Jim Plummer	<ul style="list-style-type: none"> • Web site active and up-to-date • Projects (brick and mortar promotion) are needed <ul style="list-style-type: none"> – Workshop – Innovation Grant development • Changing guidelines to allow more flexibility for mining companies, communities and others to be eligible • Match requirements will change (decrease) • MnDNR – streamlining process on reclamation rules/guidelines • Jim Selner – Mining 101 Brochure in process and should be ready soon.

Regional Group Updates

Three of five Regional Groups were present and provided an update on their major activities related to LVP.

Sub-Regional Group	Current Projects
East Range Joint Powers Board - Curt Anttila	<ul style="list-style-type: none"> • East Range Sportsman and Conservation Club Shooting Range Project <ul style="list-style-type: none"> – Example of mine dump reuse – Lead mitigation issues have to be addressed – Funding development is in play
Western Mesabi Mine Planning Board - Doug Learmont	<ul style="list-style-type: none"> • Relocation/upgrade US Hwy 169 – four lane link being discussed as a major priority and is being pushed with MnDOT and the Congressman's office • Regional railroad is being developed for Essar and other future users • Canisteo Water Project is not complete –further along but not done yet • Western Charrette on hold right now • Planning a Fall field trip to provide education on projects and reclamation needs
East Central Range Partnership - Jeff Jacobson	<ul style="list-style-type: none"> • Timing of the mine operation has slowed with less urgency given the economy • Water study is being completed, there are three possibilities for a new source. • Route of C.R. 715 – has been figured out with the county • Strategic plan is now completed for the city

Other Business/Discussion Topics

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

Randy Lasky provided an update on the Range Readiness Project and the major Work Team activities and accomplishments. The Strategy Team met in March and has scaled back the level of activity given the uncertainties and changes going on in the taconite industry due to the recession. The Strategy Team decided to focus on implementing the Communication Strategy to keep everyone up-to-date on projects and their status and also target key opinion leaders around the State and let them know that things are proceeding on a number of fronts as well as the importance of Polymet and the proposed non-ferrous mining opportunities. The group will also maintain the work of the Housing and Workforce Development Work Teams because of

the lag time necessary to develop and rehab housing projects and the need for workforce training and career laddering and development now in anticipation of future retirements and large scale project workforce needs. The group will be using the recent UMD mining study to communicate how important mining and its future is to this region and the State of Minnesota.

B. Future Topics

The group discussed a number of possible discussion topics highlighted on the agenda by the Coordinating Committee and settled on four (4) priorities for future upcoming meetings:

- Essar Steel Minnesota, LLC
- The new Nutrino project at Ash River and the current Tower Project
- Alternative Energy – wind/geothermal (Andy Huble)
- Vegetation applications for reclamation (John Koepke)

Coordinating Committee Meeting

The next Coordinating Committee will be scheduled for August at the Mining and Reclamation Classroom, Ironworld Discovery Center in Chisholm. The date will need to be determined later this summer.

LVP Quarterly Meeting

The next Laurentian Vision Partnership meeting will be **held on September 22nd 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 XLII

Wednesday, May 27, 2009– 9:00 AM – 12:30 PM
Mining and Reclamation Classroom
Chisholm, Minnesota

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OBJECTIVE

Review the results of the Legislative Session and its implications on the Region; learn about the status of the US Highway 169 Underground Mine Project; share the results and next steps related to Landscape Design Training and New Implementation Projects Workshop and hear progress reports from Work Groups and Regional Groups on major new and ongoing implementation initiatives underway for 2009

AGENDA

- 9:00 Laurentian Partnership Debriefing**
- Participant introductions and expectations *Randy Lasky, Facilitator*
 - Opening comments
 - Review of Meeting XLI results and next steps (1/09)
 - Overview of the meeting objective and agenda
- 9:15 Presentation: 2009 Minnesota Legislative/Industry Update** *Frank Ongaro, President, Mining Minnesota*
- 9:45 Presentation: Documenting Underground Mine Workings on the Mesabi Range in GIS Format – Updates, Insights, and the Road Ahead** *Julie Oreskovich, MnDNR*
- 10:15 Presentation: Landscape Designs and Project Implementation**
- Engineer Training Workshop Overview and Outcomes *John Koepke, University of Minnesota*
 - Land Template Design Project Proposal – Iron Ore Research Cooperative *Jim Plummer, LVP Project Coordinator*
 - Innovation Grants Review for UTAC and KeeTac *Julie Varichak, UTAC Engineer*
Larry Schmelzer, U.S. Steel - KeeTac, Engineer
- 11:15 Break**
- 11:25 Partnership Priorities: Work Group Action Progress Reports**
- 1) Targeting PRIORITY PROJECTS
 - Mineland Reclamation Grants
 - Grant overview *Dan Jordan, IRR*
 - Budget process and strategy review *Brian Hiti,*

*IRR
Dan Jordan, IRR*

- Wetlands Task Force Project Update
- Brownfield Project Update

*John Fedo,
RLK Engineers*

11:40 Partnership Priorities: Work Group Action Progress Reports

2) Delivering TOOLS and RESOURCES

- Presentation: Laurentian GIS Collaborative Pilot Project
- UMD Economic Impacts of Mining Study
- Mesabi Iron Range Large Scale Projects Map – Member Quarterly Update and Access
- Range Readiness Initiative Update

Andy Hubley, ARDC

Dan Jordan, IRR

Tim Pastika, MnDNR

Randy Lasky, Facilitator

11:55 Partnership Priorities: Work Group Action Progress Reports

3) Facilitating REGIONAL OUTREACH

- LVP Coordinators Report
 - Mining Brochure 101

Jim Plummer, IRR

Noon Partnership Priorities: Regional Group Action Progress Reports

- Regional Group Updates
 - 1) East Range Community Readiness (ERJPB)
 - Red Top Shooting Range Project
 - 2) Central Iron Range Initiative (CIRI)
 - 3) Western Mesabi Mine Planning Board (WMMPB)
 - 4) East Central Range Partnership
 - 5) Quad Cities

Curt Anttila

Scott Allison

Doug Learmont

Jeff Jacobson

Quad Cities Representative

12:20 Other Business Updates

- Future Topic?
 - Essar Steel Minnesota, LLC
 - Mesabi Nugget Update
 - Ash River Nutrino Recovery Project
 - US Highway 169 Underground Mine Project
 - Other?

Randy Lasky

12:25 What's Next?

- Meeting Schedule (January, May, October)
- Next meeting date and agenda
 - **Coordinating Group** – September _____ 2009?
 - Representative from each Work Group and each Sub-Regional Group
 - **Laurentian Vision Partnership** – October ____, 2009?
- Wrap up announcements and conclusions

Randy Lasky

12:30 ADJOURN



Meeting Participants Laurentian Vision Partnership Meeting XLII

Wednesday, May 27, 2009 - 9:00 AM - 12:30 PM

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