Laurentian Vision Partnership

Meeting LXVIII Report

"Planning and Project Implementation 2018"

Laurentian Vision Partnership
Transforming pits and piles into lakes and landscapes

Wednesday, May 23, 2018
Mining and Reclamation Classroom I Chisholm, Minnesota
Laurentian Vision Partnership
Meeting LXVII
May 23, 2018

“Planning and Project Implementation 2018”

MEETING OBJECTIVE

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

Northeastern Minnesota’s mining industry and the communities that have grown out of natural resource development are facing changing landscapes, issues and opportunities. Impacted by global and national factors, existing Iron Range mines and proposed resource-based projects are embracing new challenges to remain globally competitive and operate with a social license to mine. Communities facing land use issues and seeking to provide residents with a high-quality of life are advancing new business, community and recreational projects by cooperatively solving land use issues. LVP, by convening stakeholders in timely discussions, seeks to collaboratively address the needs of communities, mining operations, resource management, land retention, reclamation, environmental permitting, local revenue generation and land reuse.

The focus of this meeting is on several major topics including an introduction to State School Trust Lands and their significance as a strategic land resource and revenue generator for targeted K-12 education needs in Minnesota; an overview of Minnesota Department of Natural Resources Strategic Plan and its implications for mining and resource utilization in the region; an overview of the Hector Mine embankment washout and restoration project; a report of the St. Louis County & Northeast Koochiching Trail Plan; and an update on the successful 2018 International Society of Mining Engineers (SME) conference held in Minnesota this spring and how we leveraged this opportunity to showcase the Iron Range. Finally, we will hear progress reports from regional groups and work groups on several timely items of interest including Minescape Projects and FY18 and FY19 funding status and awards, upcoming work on the draft 2019-2024 LVP Strategic Plan, and new changes to the Mesabi Large Scale Projects Map.

MEETING SUMMARY

Laurentian Partnership Debriefing

- Participant introductions and expectations
- Opening comments
- Review of Meeting LXVII results and next steps (January 2018)
- Overview of meeting objective and agenda

PRESENTATION

Overview of State School Trust Lands and Strategic Implications for Land Use and Education in Minnesota

Aaron Vande Linde
Director, School Trust Lands at State of Minnesota

Aaron shared a PowerPoint presentation highlighting the history and significance of establishing permanent school trust fund lands including financial, real property and mineral assets to support public education in Minnesota. Described the State’s role as the trustee of these resources involving the Governor, Legislature, MnDNR and the State Trust Director. Also, the major beneficiaries which impact 340 school districts and 900,000 students in Minnesota today. A total of 8.1 million acres were set aside by a federal land grant to Minnesota in 1857 for this purpose which today totals 2.5 million remaining acres. About 90% of the current total acreage is largely in the 10 counties of Northeast MN. Shared the mission and detailed the Directors role in managing this resource and how the assets are valued. Explained how the proceeds from the sale of assets, leasing of minerals and related revenue generation occurs, and the annual returns shared with all of the State’s school districts on a per pupil basis. Described in detail the 25-year strategic framework and 10-year strategic action plan that has been developed recently and its focus on retaining and leveraging core mineral assets, forestry assets and surface assets to sustain and grow the returns possible. The total land value of the resources is $1.9 billion today with 80% in minerals. Dividend distributions last year totaled $31 million with about 52% of those proceeds going to Metro school districts given the per pupil distribution formula. Concluded the presentation by explaining and providing an update on his efforts to complete a strategic land exchange with the federal government addressing inaccessible State lands and mineral assets in the BWCAW. Described the status, plan options, costs and expectations. Negotiations continue and are important to Minnesota and public education’s long-term revenue opportunities. Addressed a number of questions and
comments about the strategic plan priorities, distribution of proceeds and how the successful land exchange would be a significant action.

Aaron’s presentation was well received by members; a copy of the PowerPoint presentation is available on the LVP website at www.lvpmn.org.

PRESENTATION

MDNR Strategic Plan – Challenges and Innovations

Jess Richards  
Director, Division of Lands and Minerals, MDNR

Jess introduced Bob Meier, Assistant Commissioner for Policy and Government Relations who is attending today’s meeting. He then shared a PowerPoint presentation focusing on two major areas including current and future challenges and expectations of mining and the importance of innovation, and an overview of the 2017 Lands and Minerals Strategic Plan for Minnesota and the Division’s efforts to better communicate its role, mission and the economic implications of these managed State resources. Described the current state of mining and how the Mesabi Iron Range is the largest iron mining district in North America. Went on to describe the future of mining including 100 years plus for iron ore mining and other non-ferrous and precious mineral interests with 533 active minerals leases in play today. Described the challenges and expectations related to public review and scrutiny and the need to balance investment interest with science and resource management. Went on to highlight the Land and Minerals Strategic Plan 2017-2027 including its vision, who the professionals are that support its role and responsibilities, the trends, goals and strategies focused on innovative science and innovative communications. Innovative science needs include minerals potential research, sustaining and enhancing the drill core library in Hibbing, new and ongoing environmental research, and reclamation field research. Innovative strategic communication focused on mineral leasing, mineral exploration, high profile projects, public participation and strong stakeholder partnerships. Concluded by describing what coming next as priorities and why successful mining benefits communities, schools and universities the foundations of our State. The presentation was well received, and several questions were posed and addressed by Jess and Bob.

Copy of Jess’s PowerPoint presentation is available on the LVP website at www.lvpmn.org.

PRESENTATION

Legislative Panel

Mark Phillips  
Commissioner, Dept of Iron Range Resources
Bob Meier  
Assistant Commissioner, MN DNR
Kelsey Johnson  
President, Iron Mining Association
Loren Solberg  
Loren Solberg Consulting

Each member of the panel shared pertinent updates on the recent legislative session results and potential pending actions by the Governor. President Johnson began describing the bonding bill with transportation and other bonding projects, the Supplemental Budget bill, Wild Rice Sulfate bills and final approved and pending with the Governor and its significance to the region. Commissioner Phillips focused on IRRR agency issues including the establishment of a $100 million trust, amended a bill on mining company tax breaks; the allowance of recreation areas within fences on mining lands in St Louis County, the limited inclusion of projects from NE MN in the Bonding bill and how that played out. Mr. Solberg thought overall, it was a non-productive session with the partisan splits and their overall impacts. He referenced the Wild Rice Standards bill, court decision and significance of the Enbridge valuation for Itasca County, Bonding bill items, some health and human services shortfalls in handling veterans’ homes improvements, and how the Corridor of Commerce funds were all allocated in the Metro Areas which excluded a needed project in Itasca County on Highway 2 between Grand Rapids and Cohasset. Randy asked Assistant Commissioner Bob Meier for a brief update. He shared that there was a lot of pressure on the Governor on the bonding proposals and the LCCMR projects, the agency will receive $3 million in bonding for forest resource work, $319K was in the Supplemental Budget for accelerated minerals research, and addressed wetland mitigation for mining, Wild Rice Sulfate Bill and the Hill Annex State Park funding request. Panelists commented on the number of important decisions to made by the Governor and it’s unclear exactly what he will do in his final legislative session. The panelists addressed several questions throughout their updates and were well received.

PRESENTATION

St. Louis County & Northeast Koochiching Trail Plan

Andy Hubley  
Director, ARDC

Andy shared an overview and update on the planning work underway to develop a regional trails plan for a large part of St. Louis and Koochiching Counties surrounding Voyageurs National Park. The trails’ planning is being guided by the Northern St Louis County
Trail's Task Force, with other representation added for additional areas in Koochiching and part of Southern St. Louis County. The fiscal agent is Iron Range Tourism with multiple funding sources including IRRR and Koochiching County, and is being facilitated by ARDC. Described the broad focus on all types of trails and year-round needs and uses including skiing, biking, snowmobiling, ATV's, paved trails for seniors, mountain biking, winter biking, gravel road biking, motorcycles and more. The plan will design a regional trail system that is safe, has key hubs to support needs and how businesses can interact and support these hubs, is intentionally broad and considers all types of uses addressing both current and future needs. They are looking for ideas and input with working continuing this summer. Members expressed interest in revisiting the plan when it’s in a more final stage. Andy’s presentation was well received with continued engagement planned.

**REGIONAL GROUP**

**CURRENT PROJECTS**

**Western Mesabi Mine Planning Board (WMMPB)**
Douglas Learmont, Director

- Highlighted several major initiatives and their status including five major legislative priorities this past session; planning is underway for an educational tour for board members with more details and notifications coming this summer; highlighted two major areas of concern including ERP Iron Ore/former Magnetation project and Chippewa Capital and the former Butler Property. Completion of the Highway 169 four lane Cross Range Expressway project near.

**Central Iron Range Initiative (CIRI)**
Rick Crum, Member

- Updated members on the $600,000 Brownfield Project. There are 11 active projects this summer, range-wide. The project is chaired by Harold Langowski, city of Ely and the City of Virginia is the fiscal agent. They will be planning for an October 2018 meeting with MN Brownfield Association, federal EPA and Kansa State University Rep’s. who are interested in the project. Shared a concern about recent cutbacks at the EPA and concluded by highlighting the impact this project is having in leveraging jobs and investment.

**East Range Joint Powers Board (ERJPB)**
Curt Anttila, Coordinator

- PolyMet Mining will continue to be the focus of the area over the next few months and into the fall as work continues to position the project for permit approvals. Work is accelerating to market the Laskin Energy Park in cooperation with IRRR and MP with several new prospects in play; Lakehead Constructors purchased the former MP building in Aurora and is expanding on this site; a comprehensive plan has been completed for the East Range and the land use components are being implemented; there is a major emphasis being place on recreation with the Mesabi East School District starting construction on a $9.1 million School and Athletic Campus Renovation Project and trail development planning is underway to complement and leverage work going on at Giants Ridge. All positive developments.

**PRESENTATION**

**Highlights of 2018 Society for Mining, Metallurgy and Exploration (SME) Annual Conference & Expo in Minnesota**

Julie Marinucci
MN Section Chair SME, St. Louis County

Julie explained that the MN SME Section has been working over the past 10 years to recruit this major international SME mining conference to Minnesota that was held in February in Minneapolis. She shared a factoid slide on the event results that is on the LVP web site. It drew over 6,000 registrants from 35 countries and generated good sponsorships, attendance and revenue and was well received in Minnesota. The area chapter held a Northern MN Tour, a multiple-day side event that was well attended. IRRR and other partners did a great job of introducing interested participants to the Iron Range and the capacity and mining opportunities here in the region. She also reported that the American Society of Mining and Reclamation (ASMR) would be holding a major conference in NE MN in 2020. SME will be working with them to have a tie to things going on here. They were last here in the 1990’s and is a great opportunity to leverage. Anyone interested in working on planning for this event should reach out to her. Julie’s presentation was well received with future updates planned as things get closer to the 2020 event.

**PARTNERSHIP PRIORITIES**

Regional Group Action Progress Reports

The following Regional Groups were present and provided an update on their major activities related to LVP. Copies of the handouts are available on the LVP website at [www.lvpmn.org](http://www.lvpmn.org).
Individual work group representatives provided the following reports and next steps.

<table>
<thead>
<tr>
<th>Action Areas</th>
<th>Work Group Priorities</th>
<th>Work Group Representative(s)</th>
<th>Update/Next Steps</th>
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</table>
| TARGETING PRIORITY      | 1. o Minescape Projects FY 2018 Projects/Funding Update and Proposed FY 2019 Budget Request 1. o 2019-2024 LVP Strategic Plan Development 1. o Project Update – Mining Reserve Tails Reclamation Study | Jim Plummer, IRRR            | Shared a PowerPoint presentation addressing highlights for each of the three topics as follows:  
  - Minescape Grants have $200,000 approved for FY 2019 funding beginning on July 1, 2018 
  - There is currently $121,255 remaining in the FY2018 Minescape Grants budget which will be awarded for the following projects and others by June 30th:  
    - IRTB Bridge View - $14,500  
    - Cohasset Tioga Mt. Bike Park - $25,000  
    - Chisholm Redhead Mt. Bike Park - $28,900  
    - Hibbing Mining Resources Tailings Study (Recent Award) - $10,375  
  - The LVP Strategic Plan draft has been updated by staff and is seeking member involvement in reviewing and finalizing the plan for approval this fall. Anyone interested should reach out to Jim.  
  - Provided an overview/photos of the Buhl-Judson Mine Pit Disc Golf Course Project a FY 2017 project that has been completed and was showcased today as successful Minescape Grant project. |
| PRIORITY PROJECTS       |                                                                                         |                               |                                                                                                                                                   |
| DELIVERING TOOLS        | 1. Large Scale Projects Mapping Update                                                 | Jim Plummer, IRRR            | Brief update highlighted. Any additions should be shared with Tim or Jim.                                                                     |
| AND RESOURCES           |                                                                                         | Tim Pastika, MDNR            |                                                                                                                                                   |

OTHER BUSINESS UPDATES AND FUTURE TOPICS

Future Topics/Presentation Recommendations of LVP Coordinating Committee (Fall 2018)

The group discussed several possible discussion topics highlighted on the agenda by the Coordinating Committee. The following topics were highlighted by members as possible priorities for Fall 2018 meeting, with others continuing our list for future consideration.

- Iron Range Engineering Program and new Bell Program overview
- Legislative/election considerations
- Mining companies showcase some of their reclamation projects
- Solar manufacturing projects status
- Vision for minerals development in the region – build off Jess Richards presentation in May – Pete Clevenstein could do this?
- Trails discussion (Plan B)
- LVP Strategic Plan review and adoption

Future Topics/Presentations (Winter 2019 and beyond)

- Legislative recreation uses of mining lands Envision Model
- St. Louis County land use planning/ tax forfeit lands/broadband development and recreation lands (Itasca County tie?)  
  - Barb Hayden/Mary Anderson/New Minerals Staff
- State School Trust Fund Lands and strategy
- Immediate and Long-term Transportation Planning for Northeast MN (Transportation Planning and Projects)
• Corridors of Commerce Environmental panel or focus (Conservationists for Common Sense, or others?)
• Louisiana Pacific Siding Plant – Project Update
• State of mining
  – Large scale project updates: PolyMet; Mesabi Nugget; Twin Metals; ERP Iron Ore; Chippewa Capital; UTAC; KeeTac; Mining Resources
  – New/energizing opportunities
  – Value added iron update
• Marketing the region for mining – leverage future opportunities
• The bio-industry opportunity on the Range
• Titanium mining development – new technology
• Ilmenite minerals development update
• ManganiFerrous iron ore mining
• Convene summit on balanced land use
• Regional environmental issues – federal and state regs and policy considerations
• Sulfate
  – Mercury emissions
  – Haze rules
  – Land exchange
  – Class One – tribal lands
  – BWCA buffers
  – Minnesota Clean Power Plan
• Recharge the Range
• Lessons learned from T.H. 53 relocation project – multiple stakeholders, how might apply to other future projects
• Iron Range Regional Planning – a regional approach to balancing immediate and long-term mining land retention needs and sustainability expectations with community growth and development needs
• Future charrettes
• Recognize role as forum (strategy on this); state, federal, county levels, and others

**COORDINATING COMMITTEE MEETING**

The next Coordinating Committee will be held on **Tuesday, September 18, 2018 from 9:00 A.M. to Noon at the Mining and Reclamation Classroom, Minnesota Discovery Center in Chisholm.** Work Group and Regional Group representatives will be asked to assist in developing the **October 2018 membership meeting agenda.**

**LVP QUARTERLY MEETING**

The next Laurentian Vision Partnership meeting will be held on **Wednesday, October 24, 2018 from 9:00 A.M. to 12:30 P.M. in the Mining and Reclamation Classroom at Minnesota Discovery Center in Chisholm.**
Northeastern Minnesota’s mining industry and the communities that have grown out of natural resource development are facing changing landscapes, issues and opportunities. Impacted by global and national factors, existing Iron Range mines and proposed resource-based projects are embracing new challenges to remain globally competitive and operate with a social license to mine. Communities facing land use issues and seeking to provide residents with a high-quality of life are advancing new business, community and recreational projects by cooperatively solving land use issues. LVP, by convening stakeholders in timely discussions, seeks to collaboratively address the needs of communities, mining operations, resource management, land retention, reclamation, environmental permitting, local revenue generation and land reuse.

The focus of this meeting is on several major topics including a legislative update on important resource and agency policy and funding outcomes as the legislative session ends for this biennium; an introduction to State School Trust Lands and their significance as a strategic land resource and revenue generator for targeted k-12 education needs in Minnesota; an overview of Minnesota Department of Natural Resources Strategic Plan and its implications for mining and resource utilization in the region; a report of the St. Louis County & Northeast Koochiching Trail Plan; and an update on the successful 2018 International Society of Mining Engineers (SME) conference held in Minnesota this spring and how we leveraged this opportunity to showcase the Iron Range. Finally, we will hear progress reports from regional groups and work groups on several timely items of interest including Minescape Projects and FY18 and FY19 funding status and awards, upcoming work on the draft 2019-2024 LVP Strategic Plan, and new changes to the Mesabi Large Scale Projects Map.

### PROPOSED AGENDA

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<tr>
<th>Time</th>
<th>Topic</th>
<th>Speaker(s)</th>
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<tbody>
<tr>
<td>9:00</td>
<td>Laurentian Partnership Debriefing</td>
<td>Randy Lasky, Facilitator</td>
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<td></td>
<td>• Participant introductions and expectations</td>
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<td>9:15</td>
<td>PRESENTATION: Overview of State School Trust Lands and Strategic Implications for Land Use and Education in Minnesota</td>
<td>Aaron Vande Linde</td>
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<td>Director, School Trust Lands at State of Minnesota</td>
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<td>10:00</td>
<td>PRESENTATION: MDNR Strategic Plan – Challenges and Innovations</td>
<td>Jess Richards</td>
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<td>Director, Division of Lands and Minerals, MDNR</td>
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<td>10:30</td>
<td>Break</td>
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<td>10:45</td>
<td>PRESENTATION: Legislative Panel</td>
<td>Mark Phillips</td>
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<td>Commissioner, Dept of Iron Range Resources</td>
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<td>John Ongaro</td>
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<td>Intergovernmental Relations, St. Louis County</td>
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<td>Frank Ongaro</td>
<td>Loren Solberg Consulting</td>
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<td>Executive Director, Mining Minnesota</td>
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<td>11:25</td>
<td>PRESENTATION: St. Louis County &amp; Northeast Koochiching Trail Plan</td>
<td>Andy Hubley, Director, ARDC</td>
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<td>11:45</td>
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<td>MN Section Chair SME, St. Louis County</td>
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<td>11:50</td>
<td>Partnership Priorities: Regional Group Action Progress Reports</td>
<td>Doug Learmont, Coordinator</td>
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<td>• What’s happening in regional areas across the Iron Range?</td>
<td>Curt Anttila, Coordinator</td>
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<td>o Western Mesabi Mine Planning Board (WMMPB)</td>
<td>Melissa Cox, Executive Director, Laurentian Chamber</td>
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<td>o East Range Joint Powers Board (ERJPB)</td>
<td>John Fedo, CIRI Member</td>
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<td>o Central Iron Range Initiative (CIRI)</td>
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### Partnership Priorities: Work Group Action Progress Reports

**Targeting PRIORITY PROJECTS**
- Minescape Projects FY 2018 Projects/Funding Update and Proposed FY 2019 Budget Request
- Project Update – Mining Reserve Tails Reclamation Study
- 2019-2024 LVP Strategic Plan Development

**Jim Plummer, IRRR**

### Delivering TOOLS AND RESOURCES

- Mesabi large-scale map
  - Explain revisions/format
  - Copies of most current version
- Other information needs

**Tim Pastika, MDNR**

### Other Business Updates and Future Topics

**Facilitator**

- **Future Topics/Presentations (Fall 2018)**
  - Regional Trails Planning – Bikes and Multi-Use
  - LVP Strategic Plan Update – review and adopt
  - Major projects update (ERPIO, Cliffs, PolyMet, and others)
  - ASMR conference
  - Iron Range Engineering Program and Bell Program overview

### What's Next?

**Facilitator**

- Meeting Schedule
- Meeting date and agenda
  - **Coordinating Committee** – TBD
    - Representative from each work group and each sub-regional group
  - **Laurentian Vision Partnership** – October 24, 2018
- Wrap up announcements and conclusions

### Adjourn

**12:30**