

Laurentian Vision Partnership

Meeting LXXI Report

"Planning and Project Implementation 2019"



Laurentian Vision Partnership
Transforming pits and piles into lakes and landscapes

Wednesday, June 19, 2019
Minnesota Discovery Center – Rustic Pig | Chisholm, Minnesota

Laurentian Vision Partnership

Meeting LXXI

June 19, 2019

“Planning and Project Implementation 2019”

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 and service support 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 quarterly meeting is on several major topics including a legislative update on important resource and agency policy and funding outcomes as the legislative session ended for the first half of the biennium; an outlook review and update for US Steel Minnesota Ore Operations; an update on Iron Range high speed broadband systems development and the implications for the region and mining interests; an overview of IRRR’s new Strategic Plan; and we’ll showcase a Mineland Reclamation Grants Project and share some of its outcomes located in Buhl. Please note that we have modified the agenda format to minimize progress reporting for Regional Groups and have eliminated Work Groups reporting, and we will use a Suggestion Box and cards for your input on future meeting topics and presenters. With these changes, you will still have an opportunity to review written progress report summaries by our Regional Partners and direct questions as part of the new format, and we will review proposed topics and recommendations for the Fall meeting agenda. Please complete an index card with any suggestions and leave in the box at the meeting today. Finally, we will wrap up this meeting with an optional tour of the new Hibbing Mine View Site which will begin at 12:30 at the site. See the handout for directions.

MEETING SUMMARY

Laurentian Partnership Debriefing

- Participant introductions and expectations
- Opening comments
- Review of Meeting LXX results and next steps (January 2018)
- Overview of meeting objective and agenda and meeting format changes
- Acknowledged the Tour of the Hibbing Mineview Project in Hibbing

PRESENTATION

Iron Range High Speed Broadband Initiative and Mining Implications Update

- What has happened, what is currently underway and what can we expect in the future?
- Intelligent Communities Forum report out
- Implications for mining, entrepreneurship, business retention and expansion, and business attraction

Whitney Ridlon,
Community Development
Representative, Dept. of IRRR

Betsy Olivanti,
Consultant, UMD Center for Economic
Development

Elissa Hansen,
President & CEO, Northspan Group,
Inc.

Whitney and Betsy shared a PowerPoint presentation providing a timely overview and update on the status of various community and multi-community broadband projects being funded by the Blandin Foundation and IRRR as a shared initiative. The team highlighted the State of Minnesota goals and a current map of service levels across Minnesota and explained how much of the region is under or unserved today. They highlighted the indicators of an “Intelligent Community” and the goal of the Iron Range initiative and the ten (10) current participants and benefits they hope to achieve. The team then described the specific projects being developed and implemented by participants to enhance use of the internet supporting education, businesses, public spaces

and the individual community needs. Feasibility studies have been done or are being funded to help plan for future broadband expansion and use that will serve families, businesses, workforce development and retention, and a host of needs. Baseline information is critical to future funding development. They concluded with details on multiple projects and their status; key broadband service vendors and how their involved; went into detail sharing information on how businesses of all types including mining and support companies are working to leverage and engage in these efforts; shared several business case studies of how they have become increasingly involved and how interest is growing to address this basic infrastructure deficiency on the Iron Range. There were questions asked throughout the presentation and was very well received my members.

A copy of Whitney and Betsy's PowerPoint presentation is available on the LVP website at www.lvpmn.org.

P R E S E N T A T I O N

**Mineland Reclamations Grant Program - Project Showcase –
City of Buhl Disc Golf Project**

Ryan Pervenanze
City Administrator, Buhl

Ryan shared a PowerPoint presentation focusing on an overview of the Buhl Disc Golf Project, an 18-hole champion caliber course located along the Judson Pit in Buhl. He explained that IRRR provided a \$38,250 grant and over 50 volunteers committed significant time and in-kind materials over the two-year development effort with other donations and sponsorships provided for areas of the course. He shared photos of the site and holes and some of the events that have been held. According to multiple disc golf enthusiasts and course designers, they expect the Buhl course to become one of the best courses in the Midwest and a destination facility that will grow in popularity. The project was funded by a Mineland Reclamation Grant from IRRR and is another example of reclamation project's that can have both recreational value and an economic impact on a community or the broader Iron Range area. Ryan responded to several questions and was applauded for the great work done by the community.

A copy of Ryan's PowerPoint presentation is available on the LVP website at www.lvpmn.org.

P R E S E N T A T I O N

**US Steel Corporation Minnesota Ore Operations - Outlook Review
and Update**

Larry Sutherland,
General Manager - Minnesota Ore Operations at United States
Steel Corporation

Larry shared a PowerPoint presentation providing an overview of USS's North American manufacturing facilities and specific details on Minnesota based ore operations at Minntac, Keetac and Hibbing Taconite. He described in some detail the size and differences of each of the individual mining operations on the Iron Range and their investment in environmental compliance of over \$76 million over the past 10 years and the excellent safety records and awards for Minntac and Keetac. He explained why the Keetac expansion did not develop due to the slow permitting process and what might be expected in the future. Larry shared numbers on the economic impact of these operations with over 1800 workers with openings still to be filled, health and pension benefits and the indirect support of other businesses and jobs and investment. Explained how royalties support the School Trust Lands Fund and production taxes. He went into further detail on the operations describing the significant electricity consumption as the largest private consumer in the State; 2017-2019 mining equipment investments in new and refurbished equipment which is good for local support companies; the extent of other equipment needs supporting various parts of the processing and beneficiation of taconite pellets which was explained, and special equipment needs described. A lot of new technology has been developed and adapted over the last several years which presents a good savings for the company. He concluded with his thoughts on trade legislation and stopping of illegal steel dumping and described the Iron Ore Alliance, a joint initiative with the United Steelworkers - local union and USS. The alliance has been a coordinated effort that has had some real impact for all of the partners involved. Larry addressed a number of questions on trade, the Soo Locks, the global market and how USS fits in the marketplace, and Hibbtac status and changes. His presentation and remarks were much appreciated, and USS was thanked for their contributions to help sponsor the LVP meetings and these discussions.

A copy of Larry's PowerPoint presentation is available on the LVP website at www.lvpmn.org.

P R E S E N T A T I O N

2019 Legislative Debrief - Panel

- Major outcomes
- Things that did not get done

Mark Phillips
Commissioner, Dept of Iron Range Resources

Frank Ongaro
Executive Director, Mining Minnesota

Steve Giorgi,
President, Range Association of Municipalities and Schools

Kelsey Johnson
President, Iron Mining Association

Panel members shared brief presentations on recent legislative outcomes as the first part of the biennium wrapped up under Governor Walz administration. Commissioner Phillips talked about a new deferred maintenance account being setup and how the administration focused on Local Government Aid that was increased for rural communities. He commented on multiple trailer hauling and why that's important to the region and IRRR's 2020 bonding request for a deteriorating water infrastructure at Giants Ridge as well as need for Legend Golf Course buildings and new Nordic Ski Headquarters building. Steve Giorgi shared a brief overview of RAMS and its lobbying role with Gary Cerkvenik as its full-time lobbyist. Priorities included municipal tax aid distribution that was capped in 1983 and were able to eliminate decreases which resulted in \$435,000 coming back to communities. He described grants for trails development, approval of the 1% sales tax to support Virginia's Miners Memorial facility improvements, the Emerald Ash Bore infestation and funding thru MnDNR to several area communities, ATV trails money, Ely Connector funding, Border to Border Broadband funding of \$40 million statewide, and the 511 Pathways Facility in the Twin Cities and why we need to be connected. Frank Ongaro then commented on several actions and non-actions taken this session. He described lease language changes for a responsible vendor and how business could be suspended or a company debarred from doing business in Minnesota; wetland banking fee modified; restoration of MnDNR minerals funding for a number of items including funding for the Land Trust for BWCA land acquisitions and land exchanges with the Federal government; addressed limitations on the State's Environmental Review Process to control extensions of comment periods; new fees for exploratory drill borings and funding for more research by the NRRI. He shared there was nothing new on the wild rice sulfate standards or some other tax issues and some other things were avoided that could have shut down mining. Biggest issue on the horizon to pay attention to is redistricting in 2020. The last panelist was Kelsey Johnson. She highlighted four key items that did not happen including a small production rebate which did not make the tax bill; a Wild Rice Stewardship Council was not established; Clean Energy mandate adjustment to 50% non-renewable by 2040; and a reduction in overall utility rates for large energy users beyond legislation already approved and used by Mn Power. Major success was related to the Clean Energy Bill and a water transfer rule change that was favorable. The panel addressed a number of questions during presentations and at the end. Again, all well received by the members.

There were no PowerPoint presentations provided or handouts by the panelists.

P R E S E N T A T I O N

IRRR 2019 STRATEGIC PLAN HIGHLIGHTS

Mark Phillips,
Commissioner, Dept. IRRR

Commissioner Phillips started by calling on Linda Johnson, Mineland Reclamation to briefly describe efforts to engage in a process to update the LVP Strategic Plan and maintenance of the grants program. He then explained the legislative mandate to have an agency Strategic Plan prepared every four years by each existing or new IRRR Commissioner. That plan is in process right now. Deputy Commissioner Metsa is conducting community listening sessions across the Iron Range. We continue to hear about the same issues generated during the Recharge the Range process where eight focus areas were identified as part of the extensive input process. The listening sessions so far have confirmed the same issues being experienced by rural Minnesota including high speed broadband access, childcare needs, affordable housing and workforce development and retention. Three major focus areas have evolved in the draft plan including Community – foundational assets and quality of life development, Business Development – Retention and Recruitment, and Workforce Development. He then addressed in more detail each of the three major focus areas in terms of the major challenges and opportunities, key priorities and initiatives and how IRRR can use its limited resources to leverage community and business engagement. He concluded by explaining the plan framework, remaining steps of the plan development and approval process, and sharing with the Board and Governor's office, and the public. Commissioner addressed several questions on some of the community development grants and broadband, and business development targeting. His remarks were well received.

There was no PowerPoint presentation or handouts shared at this time.

PARTNERSHIP PRIORITIES

Regional Group Action Progress Reports

As part of the new meeting format, Regional Groups shared written progress reports and were available to answer any questions. Several questions were addressed, and copies of the report handouts are available on the LVP website at www.lvpmn.org. Regional Groups were represented by the following members:

REGIONAL GROUP

Western Mesabi Mine Planning Board (WMMPB)
Doug Learmont, Director

East Range Joint Powers Board (ERJPB)
Elissa Hansen, President of Northspan Group and
Consultant to ERJPB

Quad Cities
Melissa Cox, President of the Laurentian Area
Chamber

Central Iron Range Initiative (CIRI)

Cuyuna Range Area
Michael Burton and Kevin Egan, Members of Brainerd
Lakes Area Economic Development Corporation
(Bladec)

OTHER BUSINESS UPDATES and FUTURE TOPICS

Future Topics/Presentation Recommendations of LVP Coordinating Committee (Winter 2019)

The group discussed several possible discussion topics highlighted on the agenda by the Coordinating Committee and received a new updated handout of past topics of interest. The following topics were highlighted by members as possible priorities for the Fall 2019 meeting.

- Regional Trails Development and Coordination (Postponed based on the status and timing of construction projects and plans being developed)
 - Panel discussion format
 - Focus on minerals impact and sustainability
 - Trail planning ties to local and regional comprehensive plans and mine development plans
 - Coordination of trails development and grant support – Range-wide
 - Iron Range Tourism Bureau involved
 - ARDC update on St Louis/Koochiching County Trails Planning project introduced in spring 2018
 - Projects demonstrations
 - Funding vehicles available
- Panel Discussion by Area Mining Company Representatives on Iron Range Mining

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- Multiple Transportation Topics by Key Service Providers:
 - Range Regional Airport
 - Duluth Superior Port Authority
 - Rail service by CN and BNSF and Captive Rail Project Update
 - MN DOT District Iron Range Projects Update
 - St Louis County Rail Study
- Community mining focused/related project presentation – case study to be determined

Shared a Summary Handout of All Topics/Presentations as Suggestions for Future Meeting Consideration and Asked Members to Fill Out a Topics/Presenters Card with Their Ideas and Leave on the Table.

COORDINATING COMMITTEE MEETING

The next Coordinating Committee will be held on **September 11, 2019 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 2019 membership meeting agenda.

LVP QUARTERLY MEETING

The next Laurentian Vision Partnership meeting will be held on **Wednesday, October 16, 2019** from 9:00 A.M. to 12:00 P.M. in the Mining and Reclamation Classroom at Minnesota Discovery Center in Chisholm.

Noon Adjourned the Meeting to Optional Tour of Hibbing Mine View Site at 12:30pm in Hibbing

Partnership Meeting LXXI
Wednesday, June 19, 2019 (9:00 AM – Noon PM)
Minnesota Discovery Center – Rustic Pig Restaurant
1005 Discovery Drive, 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 and service support 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.

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PROPOSED AGENDA

9:00	Laurentian Partnership Debriefing	Randy Lasky, Facilitator
	<ul style="list-style-type: none"> • Participant introductions and expectations • Opening comments 	<ul style="list-style-type: none"> • Review of Meeting LXX results and next steps (Jan-19) • Overview of the meeting objective and agenda
9:15	PRESENTATION: Iron Range High Speed Broadband Initiative and Mining Implications Update	Whitney Ridlon, Community Development Representative, Dept. of IRRR
	<ul style="list-style-type: none"> - What has happened, what is currently underway and what can we expect in the future? - Intelligent Communities Forum report out - Implications for mining, entrepreneurship, business retention and expansion, and business attraction 	Betsy Olivanti, Consultant, UMD Center for Economic Development Elissa Hansen, President & CEO, Northspan Group, Inc.
9:45	PRESENTATION: Mineland Reclamations Grant Program - Project Showcase – City of Buhl Disc Golf Project	Ryan Pervenance City Administrator, Buhl
9:50	PRESENTATION: US Steel Corporation Minnesota Ore Operations - Outlook Review and Update	Larry Sutherland, General Manager - Minnesota Ore Operations at United States Steel Corporation
10:10	Networking Break for 15 Minutes	

10:25	PRESENTATION: 2019 Legislative Debrief - Panel - Major outcomes - Things that did not get done	Mark Phillips Commissioner, Dept of Iron Range Resources Frank Ongaro Executive Director, Mining Minnesota Steve Giorgi, President, Range Association of Municipalities and Schools	Kelsey Johnson President, Iron Mining Association
11:25	PRESENTATION: IRRR 2019 STRATEGIC PLAN HIGHLIGHTS	Mark Phillips, Commissioner, Dept. IRRR	
11:40	Regional Group Action Progress Reports – Written Report Handouts Q & A Only	Doug Learmont, Coordinator	
	<ul style="list-style-type: none"> o Western Mesabi Mine Planning Board (WMMPB) 	Elissa Hansen, President & CEO, Northspan Group, Inc	
	<ul style="list-style-type: none"> o East Range Joint Powers Board (ERJPB) 	Melissa Cox, Executive Director, Laurentian Chamber	
	<ul style="list-style-type: none"> o Quad Cities 	John Fedo, CIRI Member	
	<ul style="list-style-type: none"> o Central Iron Range Initiative (CIRI) 	Michael Burton and Kevin Egan, Cuyuna Range Representatives	
	<ul style="list-style-type: none"> o Cuyuna Range Area 		
11:45	Other Business Updates and Future Topics	Facilitator	
	<ul style="list-style-type: none"> • <u>Future Topics/Presentations Recommended by the LVP Coordinating Committee (Fall 2019)</u> 		
	<ul style="list-style-type: none"> o Regional Trails Development and Coordination (Postponed based on the status and timing of construction projects and plans being developed) <ul style="list-style-type: none"> - Panel discussion format - Focus on minerals impact and sustainability - Trail planning ties to local and regional comprehensive plans and mine development plans - Coordination of trails development and grant support – Range-wide - Iron Range Tourism Bureau involved - ARDC update on St Louis/Koochiching County Trails Planning project introduced in spring 2018 - Projects demonstrations - Funding vehicles available o Panel Discussion by Area Mining Company Representatives on Iron Range Mining o Multiple Transportation Topics by Key Service Providers: <ul style="list-style-type: none"> - Range Regional Airport - Duluth Superior Port Authority - Rail service by CN and BNSF and Captive Rail Project Update - MN DOT District Iron Range Projects Update - St Louis County Rail Study o Community mining focused/related project presentation – case study to be determined 		
	<ul style="list-style-type: none"> • <u>See Summary Handout of All Topics/Presentations as Suggestions for Future Meeting Consideration and Please Fill Out a Topics/Presenters Card with Your Ideas</u> 		

What's Next?

Facilitator

- Meeting Schedule Fall 2019
- Meeting date and agenda
 - **Coordinating Committee** – September 11, 2019
 - **Laurentian Vision Partnership** – October 23, 2019
- Wrap up announcements and conclusions

Representative from each work group and each sub-regional group

Noon **Adjourn Meeting to Optional Tour of Hibbing Mine View Site at 12:30pm**

Laurentian Vision Partnership thanks its financial contributors



Please visit our website: www.lvpmn.org