

# Agenda

## Santa Cruz County Advisory Panel on the South32 Hermosa Project June 21, 2023

Santa Cruz Provisional Community College, 2021 N Grand Avenue, Nogales

Timing	Focus	Task/Action	Who
11:30 30 min	Lunch is served		All
12:00 5 min	<b>Welcome</b>		Catherine
12:05 5 min	<b>May Minutes</b>	Approve	Catherine
12:10 35 min	<b>Project Updates</b> <ul style="list-style-type: none"> <li>• Ongoing Permitting and Site Activity</li> <li>• Workforce/Procurement</li> <li>• Traffic/Trac Out</li> <li>• Water/Dewatering Options</li> <li>• Fast-41 Dashboard</li> <li>• Additional timely updates</li> </ul>	Share information, Q & A  Note: Generally, up to three of the topics listed will have an update. If there is no new information, there will be no update.	South32
12:45 35 min	<b>Community/Panel</b> <ul style="list-style-type: none"> <li>• PARA - Carolyn</li> <li>• Town of Patagonia Flood and Flow Committee - Carolyn</li> <li>• WWTP Info - Fritz</li> </ul>	Share information, Q & A	Panel Members I
1:20 30 min	<b>Standing Topics:</b> <ul style="list-style-type: none"> <li>• GNA</li> <li>• Q&amp;A Document</li> </ul>	Share information, Q & A	Catherine, Panel Members, South32
1:50 5 min	<b>June Meeting Agenda:</b> <ul style="list-style-type: none"> <li>• Panel Requests for July Topics</li> <li>• July Location - Patagonia</li> </ul>	Discussion	Catherine
1:55 5 min	<b>Wrap Up</b>	Final Comments	Catherine
2:00	<b>End</b>		All



Meeting Minutes  
Santa Cruz County Advisory Panel  
June 21, 2023  
Santa Cruz Provisional Community College, 2021 N Grand Avenue, Nogales

**1. Meeting called to order at 12:00 pm - Catherine.**

**2. Meeting Minutes - Catherine**

**2.1. May's minutes.**

Minutes has one correction, adding the attendance of a guest, Laurie Montego. Motion: Liz made the motion to approve the draft minutes. Damian seconded the motion. All members present voted, Carolyn abstained, and the corrected minutes were approved by consensus and will be posted on the new South32 Hermosa website by South32 personnel.

**2.2. March's minutes.**

The March minutes have not yet been submitted to the Panel for approval. They are still under review.

**3. Project Updates (Attachment 1) -**

There was an introduction to South32's new employees, Sandra Moreno, Community Relations Team member and Joe Haas, Operation Readiness Team member.

**3.1. Ongoing Permits & Site Activity:**

This is the list of ongoing permitting activities. We've provided an update on several of these during previous meetings but wanted to have them here for status update.

**3.1.1 Flux Drilling Plan:**

A decision memo has been approved and we're working on a final plan. There's no timeline or anything to share details about the timeframe later.

**3.1.2 Small Tracts Act/AZPDES Permit/Site Exploration:**

Regarding the Small Tracts Act, nothing has changed since the last meeting. Everything else is pretty much stayed the same even under site exploration with the second water treatment plant. We're nearing completion of construction and we're starting to commission that facility, which is the facility that will treat the ground water to surface water quality standards before discharge into Harshaw Creek. So that's WWTP2, WWTP1 is the existing facility on site down now towards the portal pad.

**3.1.3 Off Site Projects:** The field work is starting to occur now on the Pollinator Garden project off Harshaw Road in Patagonia. We are clearing out and starting to prepare that soil area for the pollinator garden. A visual of what the finished product will look like was shown at last month's meeting. For Cross Creek Connector, we've completed the clearing and grubbing. We are planning for the next stage is grading and then we're planning for the neighbor walk tomorrow, June 22 at 8 am. There are several people in this room who have replied and will be there and then I think it'll be the first of several meetings. The project is being built in kind of phases with the connections to Harshaw and the state route because those do need that

**Attendance:**

**Meeting Facilitators (Interfuse Associates):**

Catherine Tornbom, Joanne Lamb

**South32 Hermosa:**

Melanie Lawson, Joe Haas, Sandra

**Panel Members Present:**

Olivia Ainza-Kramer, Elizabeth Collier, Maureen De La Ossa, John Fanning, Ruth Ann LeFebvre, Ben Lomeli, Damian Rawoot, Fritz Sawyer, Carolyn Shafer, Linda Shore, Guillermo Valencia, Marcelino Varona, Christopher Young

**Panel Members Absent:**

Olivia Ainza-Kramer, Michael Young

**Consultants/Guests/Visitors:**

None

ONGOING PERMITTING & SITE ACTIVITIES	
1. Flux Drilling Plan	- USFS Review
2. Small Tracts Act	- Anticipate approval in the next few months and summer implementation
3. AZPDES Permit	- Permit renewed by ADEQ - decision appealed by PARA
4. Site Exploration	- Exploration shaft sinking (increasing activity on site, increased deliveries) > Contractor controls in place & adherence to Town of Patagonia Trucking Ordinance
5. Air Permit	- Application filed with ADEQ



**Melanie:**

additional permitting from other agencies, not just Santa Cruz County, so we're focusing kind of tomorrow on that middle portion of the road and then the bookend pieces will be done later. So, we can always do a follow up meeting, if there's specific questions on the connection to Harshaw and then also the connection to State Route 82. My guess is that it'll be the first of the first of maybe two or three meetings kind of out there in the field to look at that work.

Questions and Answers:

**Fritz:** *So, 82 is going to be*

**Melanie:** *ADOT? Yes, I knew where your mind was. I mean the one at Harshaw is going to be the county.*

**Melanie:** *Yes.*

**Carolyn:** *Have the bookends permits been prepared and filed yet?*

**Melanie:** *I don't believe it's been filed yet. As of yesterday, it hasn't been filed. So that will be because the crossings are outside of that phase one. They'll probably be part of phase two or phase three. So, we . . .*

**Carolyn:** *So, you're saying the floodplain permit applications are needed only for the intersection with 82 and Harshaw?*

**Melanie:** *I don't think specifically of the intersection but they're part of those bookends pieces to wash crossings. So, our phase one or focus for this first kind of phase that we're working on, and we'll see tomorrow doesn't include the wash crossings. So, it's that section in the middle that doesn't have the wash crossings. So, the floodplain there's more than one floodplain permit from what I understand too and so all of those the multiple floodplain permits are being prepared, but they haven't been submitted yet.*

**Linda:** *You have any idea when they'll be filled, because applications take a while to get approved?*

**Melanie:** *I don't. I'm trying to get some more information in the meeting tomorrow so we can have a definitive timeline, but I don't have it right now. But the idea is still as we send it to the county, there might be some back and forth. And then as we give kind of the final version, we'll share it with the Town's Flood and Flow Committee.*

**Carolyn:** *You're waiting for the final version before sharing it?*

**Melanie:** *When we submit the permit, sometimes there's some back and forth before we submit a final version. So, I'm forecasting there is the chance there could be back and forth before a final version is submitted.*

**Linda:** *And why wouldn't the Patagonia Flood & Flow be part of the back and forth?*

**Melanie:** *Because it's the county's jurisdiction. It's outside of the town limits. So, it's not a permit that we're submitting to the town, it is a county issue.*

**Ruth Ann:** *So, it's just an informed thing the town doesn't have any say in it.*

**Melanie:** *Correct. They're not an authority over that floodplain permit. It's a county requirement.*

**Carolyn:** *Not in authority and yet the county has advised the town of Patagonia that they do want to update from the town. The town's flooding flow committee is interested in the permit because it obviously will have an effect, even if it is within it will influence the town and that's why the town wants to look at it before it is final. Which it by the county and the county has told the town that they won't approve it until it's been reviewed.*

**Liz:** *Who in the county says that?*

**Carolyn:** *It was at a meeting with Jennifer St. John, and it must have been Jesus.*

**Linda:** *So, what he says will be there tomorrow? We make the point to Jesus because that is a county issue. Not Yeah, well. I'm just saying it. Yes. Yes. For everybody. Losses from the town's perspective. Yes, no, I thought that county had agreed to let the town have input before,*

so.

**Ruth Ann:** *I have a question about permitting. I knew that a while back when I was asking questions about the permit to go 82 to 83. You said at that time a long time ago, you said that you were waiting for the feasibility report. But then that doesn't fit into it anymore. When are you going to submit things for that that traffic. For the 82 to 83 or wherever you're going to go?*

**Melanie:** So that's what we're evaluating right now is that route and if we are I think the last meeting we discussed our team is looking at trying to avoid state route 83 for heavy truck traffic. Even last week, I got caught up in some load that was stuck, it wasn't us. But that's the type of thing we're trying to avoid.

**Ruth Ann:** *So, where is our input? You know? We can't input until you decide what you're going to do. And then an ADOT is we're waiting for the public hearing thing that they go. They're saying now that they have that it's not a public thing.*

**Melanie:** So that part of your input will be captured today. That's why Joe is here today to talk about the Traffic Management Plan. We've heard through the various open houses and community engagements that we've done, there are a lot of concerns coming through. So, we didn't go to every specific resident and say, are you concerned about 83. We got that input through open houses champion their event, so we know that's a concern. So, our team is now looking okay if we don't go 83 Where else can you go? And with that, focus on removing the heavy truck traffic from those routes, we have a lot of employees that come from Vail or other places, so some buses might still use 83 but trying to avoid concentrate and some of the other heavy trucks on 83. So that's one way that input was received the ADOT encroachment permit for the Cross Creek connector is just for that intersection. I don't believe there's a public process through ADOT for that intersection. We sent a traffic study that includes vehicle counts. That's not public traffic. So, I think what we want to do today and part of what why Joe is here is to get feedback on additional concerns and we can lay out what's in the Traffic Management Plan and what we've thought of and then other concerns that that need to be raised that we can consider.

**Linda:** *But just to clarify the point there is no input from the public on the ADOT process, right?*

**Melanie:** Not for this encroachment permit from what I understand.

**Linda:** *And I heard that you had said, and I don't remember you saying it. So, I'm asking you again. Is South32 going to do a traffic safety study? Not traffic movement, not the volume, but a safety study. In addition, is that a separate one?*

**Melanie:** I'm not sure because what we submitted was a traffic impact analysis.

**Joe:** They will consider safety, visibility triangles and everything else.

**Linda:** *It didn't. That traffic study that was submitted did not have the word safety anywhere in it and it didn't have a line-of-sight analysis done at our intersection.*

**Joe:** So, like at the intersection to at eighty-two and

**Linda:** *Sorry intersection coming out.*

**Melanie:** That's not part of the encroachment permit because that's not part of the encroachment permit from what I understand. That's because that's a county road. So, I know all that. So, the encroachment permit for a dock was just the connection from Cross Creek Road to State Route 82.

**Linda:** *Are they still doing a traffic safety study at all on Southern Arizona highways?*

**Melanie:** I think that maybe something as part of Joe's discussion, we're looking at public safety from our company requirements. And that is a major input into the Transportation Management Plan.

**Joe:** And as far as doing a separate safety type study, I don't know if that has been put into the scope of work.

**Linda:** *A safety study not even separate.*

**Joe:** So as part of the input received, I think that's something we can go back and address.

**Ruth Ann:** *And Joe, are you going to talk about the trucks? You know, a long time ago you said electric trucks how's that coming along the electric trucks?*

**Joe:** That's something that I don't have information on to really be able to discuss today.

**Melanie:** Yes, but the plan is, you know, we're still planning for electric transportation for concentrate. And our company has been in contact with Tesla's since 2018 or maybe even earlier on if that technology will be available.

**Ruth Ann:** *But you have not heard one way or the other if it's available or going.*

**Melanie:** I believe it was in the news Tesla piloted with Pepsi toward the end of last year for some over the road transport. Kind of like a semi-truck. I haven't dug into that recently. So, we have team members that are looking at it and I can get more information and come back.

**Carolyn:** *Is that intended to be an electric vehicle or is it going to be a self-driving electric vehicle controlled by the operation center somewhere else?*

**Melanie:** I was under the impression it was not controlled at the Remote Operation Center. I believe the Remote Operation Center is for the equipment that stays on site and not over the highway transportation.

**Carolyn:** *So, the intention is to have concentrate electric vehicles with a human being driving the vehicle.*

**Melanie:** Human being driving an electric vehicle.

**Carolyn:** *As long as they don't drink the night before we're okay.*

**Linda:** *You say that but . . .*

**Melanie:** We have stringent controls for that, including alcohol breathalyzer tests, which we used to do on public tours even if you came pre-COVID We did.

**Ruth Ann:** *We can't come out drunk?*

**Melanie:** Nope, not allowed.

#### **3.1.4 FAST-41 – Melanie:**

**Melanie:** Alright, so last time, we also covered FAST-41 permitting dashboard so I wanted to click on the link here: [South32 Hermosa Critical Minerals Project / Permitting Dashboard \(performance.gov\)](https://south32.com/performance/permitting), so that we could look at it rather than so that you can see what it looks like in real time.

**Melanie:** All right, so a few and this link will be in the slides which I'll send out to this is the permitting dashboard. If you go to the website, all the projects are listed. Let me go back home here so all the projects are listed in alphabetical order. And so, you can find all the projects are listed. If you want to look at FAST-41 covered projects, you could type in you know South32 and filter or you can just look for it. They're all in alphabetical order.

**Ben:** So, if you looked under sector that would only be one mining project.

**Linda:** Yes, because the other mining project is under another stibnite so they're under other.

**Melanie:** Because it's not technically a covered project. There's a slight wording nuance there. Okay, so we're still in you know, this was posted on May 5 The day the announcement was made. We're expecting another update in the first part of July, it's either July 3 or July 5. I can't remember the exact date but it's somewhere around there. And so, then this will be updated and have kind of more of the timeline. The timeline on there, but all the lead agency information that's

**Linda:** That's happened since our last meeting, because when he did the presentation, US Forest Service hadn't picked it up yet.

**Marcelino:** I don't think there was a lead agency at that time.

**Melanie:** Okay, so now the Forest Service. Yes, a little bit of progress.

**Carolyn:** Conditional progress is that the Santa Cruz County board of supervisors at its meeting this week, ratified Supervisor Brad are signing the collection from the Forest Service, asking the county to be a participating agency I think is what the title is. And then in response to a letter that had come from the town of Patagonia about the FAST-41 process the Forest Service has now sent that letter to the town of Patagonia inviting them to be a participating agency.

**Ruth Ann:** *Isn't it in July wasn't July 5 that date for the permits to be completed by or something like that?*

**Melanie:** To live there, third or fifth this will be updated with the timeline and a list I believe of the cooperating agencies. The Forest Service, as the lead agency, sent letters out to other agencies to ask if they would want to be a cooperating agency or participating entity, whatever the right word is.

**Linda:** *It doesn't have anything to do with the permits being permitted though it has to do with this being updated. Right. So, this is just an overview.*

**Ruth Ann:** *They had to submit about something that had to happen they had to submit when they were going to get the things completed fired.*

**Melanie:** I think they had to post kind of what their timeline Well, I mean, who the agencies are, by July 5 or July 3.

**Linda:** *Yes. Which is better than piles of stuff on the desk?*

**Melanie:** Yes, and so the dashboard, I mean, this is all a new process for all of us. Being able to follow it as a member of the public on this website. I think it's a good thing. And as you know, the transparency standpoint and everything the public be able to follow along will be beneficial.

**Melanie:** Because then I'm under the impression all public meetings and that kind of thing will all be posted on here. So, you're not looking for the tiny square in the Nogales International of when the scoping meeting will be. It's out there and more public.

**Carolyn:** *So is during that posting, is that one South32 is going to post what several permitting is even needed for what activity because, you know, you've been on private property and not needing any federal permits, right, except for just getting approval for the public lands. Historic flux, exploratory drilling, you don't have anything else and rounds on public lands. Is that going to be a part of why me why even doing FAST-41?*

**Melanie:** Yes, so that will, we will have to submit a mined plan of operations, which is the document that the company submits to sort of trigger this federal permitting process. So, the date for that submission is something I'm not aware of just yet. We're finalizing all of that, but that will once we submit that that'll all be tracked through this dashboard.

**Carolyn:** *And that Plan of Operation will be strictly with respect to required federal permitting. Not a plan of operations for the private land operations?*

**Melanie:** Not so just for the parts that are off private property, that the question so that from my understanding, yes. So that's what you submit to the Forest Service is what the parts of the operation that are on board or require Forest Service approval.

**Carolyn:** Related to that also, this mine plan of operations is with respect to what you need federal permits for and because it's being posted up here that means it will be publicly available online, pre-feasibility studies that are internal business making documents,

**Melanie:** So, at what point it become public? racking my brain here. If it's just the EIS, which is the Forest Service sort of response to win the mind plan of operations as submitted, if that is when it becomes public. I can go back and check and then maybe have Brandon come back and walk everybody through the process for how that works. If it's what typically happens in a federal permitting process, the company submits a plan of operations. So Forest Service reviews it or the lead agency reviews that and then they draft an environmental impact statement or use a consultant to draft an environmental impact statement, then the scoping and all of the public process but the federal agency kicks off, is around, I believe the environmental impact statement not mine plan of operations, but exactly what parts become public and when I'd have to get some more information and come back.

**Carolyn:** Whatever is happening on federal lands, doesn't typically we encounter the shooting require an EIS. Are you saying South32 is voluntarily agreeing to participate in an EIS?

**Melanie:** No. No, and I'll have to stop there. So, I don't say anything I'm not supposed to.

**Carolyn:** it's dangerous territory. I'm asking because the flux permit that was just issued was the Forest Service issued a categorical exclusion, which is the equivalent of okay, you have your way. The next level is an environmental impact statement or Environmental Assessment. That looks at what might be the environmental issues there. And then the highest tier is the environmental impact, which goes into a much more thorough analysis of the concerns.

**Ben:** It has more requirements for public input.

**Fritz:** So, I am confused. So, I thought everything was going to be down basically on the packet claims that you own outright. So, there's 12 acres or whatever you were trying to do to straighten up some property boundaries.

**Melanie:** So, like during the last meeting, we talked about the long-term access route that's across sales property.

**Catherine:** Move along so we get plenty of time to joke.

**Fritz:** Back so you're saying it was going to be faster to be like the access road?

**Melanie:** Yes, but until we submit the plan room, sort of what else? Yes. In my discussion of do you know what, that was theoretical of what I've seen with other companies on how the process works. So that was my last slide on that. Okay. So now we can talk about transportation management. So, I can let all that Joe kickoff on kind of what the objective of the plan is, and then what is included with that plan. So, what the idea is, we'll sort of lay out what, what our plan is once included, and including some of the feedback we've heard so far, and then we can have group discussion on what might need to be added. So, with that, I'll turn it over to Joe.

### **3.1.5 Traffic Management Plan (TMP) – Joe Haas:**

South32 is looking for input on things that we might have left out or whatnot, but other than covering the goals so overall, we want to officially, efficiently manage our logistics and our transportation of material, equipment, and personnel on site. Overall, we are looking to reduce traffic and minimize our impact on the local community at once, but then you know, broader as we branch out into transporting material outside of the immediate Patagonia area.

Transportation options: Of course, we want to enhance our safety on the road and how we move across the roadways. So, looking at some of the things that we have included and we've kind of gone at a high level here, but our transportation options for personnel. Our strategy includes parking and rides, so a parking lot that offers a shuttle service or carpooling options for employees to get to the site and what that does at once is ends individual light vehicles from driving the site. So, these park and ride locations we've identified four of them. One Patagonia, Rio Rico, Nogales area, Vail, and Sierra Vista. So, many of our folks are in the Rio Rico and Vail areas at this point. So, we're looking at our strategy as far as hiring and recruiting and putting the locations in the right spot.

Resources and Coordination: As far as resources and coordination. We do have a dedicated logistics role that individual works with Melanie works with our construction folks, to make sure that our loads are identified. And we have a daily or weekly plan for getting material to site to work within the local ordinances and any ADOT permits we must receive to get a heavy load to the area. As well as local authorities, event organizers for some of us, take the Spirit 100, for example. We'd like to continue to work with that group to make sure that when we have a large group of cyclists coming through the area that we're able to effectively manage that in a safe way to still allow the event to go on and keep anybody out of harm's way. Safety Training and enforcement of the traffic rules. So, we have a robust safety training program. We're incorporating traffic and transportation into that as well. But also, just our internal enforcement of our traffic rules. We have traffic patrols. We have in vehicle monitoring systems in place that we can correct bad driving behavior, coach behaviors as we identify them. So, we're going to build on that and incorporate that into the larger plan.

Communication: We'd like to be able to share information about the changes and possibly incorporate some real-time updates. If you travel through, like using Google or Apple Maps, you see real time traffic updates. We can look at our entire fleet on a real time basis, see whose driving, where they're driving, how fast they were driving, all that type of information. If there's an opportunity to share and there's some benefit in that. We'd like to have that and investigate that as an option as well.

Monitoring and Evaluation: So, we have some technology getting put in place to track our vehicle counts onto our site. We can measure and monitor if we say, you know, we're going to have 200 vehicles, we want to be able to identify our vehicle count in real time way and see the spikes and see the lows and really be able to manage the amount of traffic coming into site and then receive that feedback, from individuals from the community or from drivers. Tailor and adapt this plan as we move along and make sure it's working and functioning as we designed it.

Questions and Answers:

**Linda:** *Will information like the actual traffic counts be made public as part of the ongoing not calling a good neighbor of whatever the community agreement that we're putting together as a group? Because the traffic study that they did for our intersection was done in July of 2019. One day, and I was sort of like, half of the people that live in my community are gone. Were snowbirds, you know, so to do it only one day was silly, didn't anything do a few guys that had to do with the people that did the traffic study. And your traffic counts are obviously theoretical at this point going forward, if we're going to attempt to manage this holistically through a robust community agreement, that information is going to need to be public, I would think.*

**Melanie:** Yes, so that's kind of what Joe was talking about with, you know, we can see our fleet right now. And if there's a benefit to having other apps and things that I've seen contractors use that people the public can kind of log into, so you can see high traffic times so you can maybe try to avoid that time. So, there's a lot of technology out there and I think that's what this team is kind of exploring, you know if it would if there's a benefit to the public to do some of that. I think



that's what well,

**Linda:** *But just speaking, I'm in charge of the tourism group. So, I'm putting my tourism hat on. Spirit world's one weekend, right, and it's 200 cyclists. Any given weekend there are 50 cyclists in town, riding out Harshaw. So, I think having that information somewhere in the public domain, readily available, makes complete sense.*

**Marcelino:** *I'm just going to throw up this comment because we're talking about transportation Melanie, I was just kind of concerned because the transportation in the Rio Rico area, because the Planning and Zoning Commission is going to be reviewing a rezoning of 3500 acres tomorrow. And I'm just wanting to know part of it they want to rezone it to mining. And then when I was looking into it, it said that they're going to bring magnesium and then I asked myself well, there's only one place they can bring magnesium from to Rio Rico, to go ahead and do something to the mineral there in Rio Rico. And I would be concerned about the transportation within that area. If, what I have concluded, is accurate. And I won't find out how accurate I am with a statement is until tomorrow. Have you heard of anything?*

**Melanie:** I was not aware of that meeting tomorrow, but I can go back and get more information.

**Marcelino:** *Okay because that's a big concern for me for that area. If that's accurate, and then that's going to me going to bring in some roads on Pendleton Road. They can barely manage two-way traffic of regular vehicles. And if you get these big vehicles in their dynamics of the neighborhoods is just going to go.*

**Linda:** *Weren't they talking about a processing plant?*

**Melanie:** We're really looking at an off-site location for the manganese pilot plant that will be scaled up. I'm aware of us right now, like go do some monitoring to look at potential sites. I don't believe we're far enough along to do traffic impact or anything yet, but I'll go back and get more information.

**Marcelino:** *I can probably ask some questions at tomorrow's meeting. But it's a big concern for me and the transportation. I think in that area, you can look at it as another Patagonia as far as the neighborhoods there. And the comments that I've heard from the people who are opposed to it. They are very worried about their property values. And everything what's going to happen to property values, and that's all I would just like to have Catherine, if we could put that as a topic for Melanie to address at the next meeting?*

**Chris:** *I just have two questions. So, the Park and Ride, right now, you said that they're just going to plan right now it's just one for Nogales or one in Rio Rico. Or have one in Nogales and one in Rio Rico? Or just one in the combined area.*

**Joe:** One in the combined area.

**Chris:** *The population support would support two?*

**Joe:** Yes, at this point I haven't seen numbers to say we need two. We should be able to build enough parking lots to allow everybody to at least keep you from driving 20 miles and say you drive let's say five miles. You either go North of Nogales or South of Rio Rico.

**Chris:** *A second question is so the idea is South32 would be locked into their own transportation you wouldn't be part of a larger community transportation.*

**Joe:** Right, Yeah, we would put a permit process in place for parking. Have Shuttle Service from point A to point B Yeah, just employees, contractors, folks who need to get to Hermosa.

**Marcelino:** *On Chris's comment, Joe. Are you going to do the same concept that in Vail just one big the parking lot and everybody goes to that parking lot and gets shuttled into Patagonia.*

**Fritz:** *And this is going to be based on data, correct?*

**Joe:** Right.

**Christopher:** *I have a concern. Nogales and Rio Rico, depending on where you live, could be 20, 30 minutes away from each other. Unless that place is going to be centralized. And the other part of that concern is: Is it worth it? Is it worth the Vail venture? You know, I mean, if they have small numbers, right and let's say Rio Rico and Nogales both have higher numbers, I hope that there'll be some reconsideration.*

**Joe:** Yes, for sure. Now, the plan is to start buying this property and setting this up. And once we get to that point of making the purchase and defining the size, we'll look at some data. I think right now the numbers are primarily hiring in Santa Cruz County. So that would, by design, drop Vail as a major park and ride. And eliminate I'm just saying make it smaller or make sure that the first one is in Rio Rico.

**Melanie:** So, this is kind of the feedback that we're looking for. I'm looking for feedback on park and ride locations, and as Joe said, its data driven. And then as added facilities are constructed, it could change also with the remote operation center construction and a lot of those people not needing to assign at all anymore. Maybe it's you know, a smaller section of that facility or something, for example. And then they could change but I think as Joe mentioned, the key thing is it will be data driven looking at where employees are living and where they need a ride from because our goal is to get them off the road and onto the site.

**Catherine:** We've got three comments Fritz, Ben, and Carolyn. Ruth Ann, your number four.

**Fritz:** *So, the 35 acres that you guys are looking at, is that going to be combined with the pilot plant, employee parking for the park and ride? And what do you call the center, the operation center? Are you trying to combine all three together? So, are guys looking at combining their own there for all this? So, what are you looking at?*

**Melanie:** What we're currently looking at is a location for the remote operations center and locations for manganese processing.

**Fritz:** *Processing or pilot plant?*

**Melanie:** Pilot plant.

**Fritz:** *You might do the whole thing on the same piece of property.*

**Joe:** Then as far as the goes, a parking ride at this point makes sense to have the two together. Most employees would go back and forth in one central location or the parking lot to take care of the folks that are going into the building to work, they're also getting on a shuttle to be transported to site.

**Fritz:** *The last question, are you going to keep the same location for the park and ride that is in Harshaw? Or are you going to move that?*

**Joe:** That's up for discussion.

**Catherine:** Ben, did you have a question or comment?

**Ben:** *Oh yes, consider Rio Rico. Anything going back to Patagonia from Rio Rico. Just as an example, when I went to the last meeting, in Patagonia for this panel. I started off early and I probably spent 25 minutes there at the Pilot waiting for the train. And that train went this way, and it went back this way, about five times before it went towards Nogales. So, you need to consider that train blocking access regularly.*

**Carolyn:** *Okay, I have two questions. I'll start with the Harshaw road closures that are scheduled to reopen for October one and what exactly is going on there?*

**Joe:** Melanie, do you want to touch on that?

**Melanie:** Yes, so it was part of our update a couple of meetings ago. I'm not entirely sure if we're on track so I'll have to go back to the team and come back for the next meeting. So, I can add that to the permanent inside activities for next week.

**Carolyn:** *Do you know what's going on there? Well, pass. Melanie has said they were widening the road but there's a lot more going on besides widening the road.*

**Marcelino:** *Yes, like what?*

**Melanie:** So, it's like we talked about the specific projects I don't have my notes and they don't want to say some things that are not correct, so I'll get information and come back at the next meeting.

**Carolyn:** *You know, it's hard when you ask what I mean Marci, it's like from, you know, one end or looking back over the other end or if you drive over top looking down and it's difficult to say but it just doesn't look like a road widening. There's just more going on that's why I asked.*

**Fritz:** *There are power lines going in there too.*

**Carolyn:** *Then my second question, it might it's not a question but it's a thought. On the now preferred long term exit route, which is along the Kinder Morgan gas line, which comes out in an odd place on 82 with more blind curves. I mean, 82 is a blind curve from being on a hill and its totally blind right there. That would be suicide. And I'm just thinking you are less than a mile from the entrance to Patagonia Lake, perhaps consider going the extra distance on forest service land and make it wide there at the entrance to the lake and you know, to be doing I hate to say it but maybe put in a red light. Then you'd be controlling traffic. So, for your consideration.*

**Fritz:** *They're putting a round-about in.*

**Linda:** *The citizens are going to love that.*

**Carolyn:** *But it just doesn't, for safety reasons, it doesn't make sense to come out where you currently had said you want to come out. That's my comments.*

**Ruth Ann:** *And then and I think what are the options you're considering if you're not going to 82 to 83 What are you considering?*

**Joe:** As far as getting concentrated north? The only other road there would be wouldn't that be 90.

**Melanie:** A lot of the current produce routes from what I understand go to sleep route. The ones that head East US State Route 90 which is two lanes divided so doesn't have the same issues as. State Route 82.

**Ruth Ann:** *So, it goes to like Huachuca City, Whetstone. And that intersection at one point you were talking about Well, it depends on what you're doing now because this change that you talked about, maybe putting extra lanes in when you were going to go up at three you're talking about maybe putting pull outs you know for the trucks but now you're not doing 83 so I know that they did some construction on 90 going to Sierra Vista. Well, you haven't studied Yeah, that's what you're doing, trying to figure out what you need to do.*

**Joe:** And these transportation plans really focus on the stretch from Patagonia to Harshaw and how we're managing heavy loads coming in. Right. So as far as scheduling, communication,

we're talking communication of planned oversized loads, potential delay and having trucks parked in town. The opportunity for a larger laydown yard to allow vehicles to offload. And then we can say control or manage bigger deliveries on the sites. The specific contractor So like right now we have we have a vendor who needs to make a delivery, show up on their schedule and might get lost, occasionally we want to eliminate those issues where we have a specific spot and then offload and transfer the material to get it on site. That's just one example there.

**Ben:** *I have a real concern with processing manganese along the Santa Cruz River. We depend on groundwater for our own potable source and not only in Rio Rico but in every downstream community. We already have heavy metal contamination. Coming to the wastewater treatment plant from Nogales Sonora. We have spikes of cadmium and nickel and other heavy metals and of course no wastewater treatment, treatment heavy metals. And so, you know if there were some spill or dust or anything from the manganese processing in Rio Rico by the river, you're going to look at the potential contamination of all our groundwater uses, all the way downstream to Carmen, Tubac, God knows how far. That's a real concern for processing manganese in Rio Rico in the middle of a residential community. Repairing area,*

**Melanie:** We haven't selected the final location for the manganese processing facility. So that's what I do now, I can get some more information and come back at the next meeting. When we do site, location, sort of studies of selection as a variety of criteria, including mapping of different watersheds and things on various properties. We can determine if that's the appropriate location is not. So, I can go back and get more information and I can come back at the next meeting with that. But I want to be sure we get feedback because I know traffic has been a key concern. So, I want to be sure we get feedback on some of the other potential concerns that we've talked about so we can sort of track those and incorporate them into the transportation.

**Marcelino:** *The only thing Melanie is that I always see especially on Mariposa Road and 82 it says that the State of Arizona, does not recommend truckers to take 82. And now when we have all your trucks, let's say I'm a trucker, and I see all your trucks going to 82. And it helps me to go down 82 to 90 to get back onto I-10. Well then that's going to send a mixed message to me will tell them they can do it. Why can't I do it? Well, I understand but then that's but there's a lot of people we don't know I don't know how to find a lot of truckers that say you know what, I just better call around to do some get on the idea and go east.*

**Linda:** *They won't see their trucks in no gallons at that little intersection that says please don't drive over this road. Are they also seeing their trucks there?*

**Marcelino:** *Well, that's the only thing I'm just trying to point out to both of you is something for you to consider that we're sending a mixed message to one set of truck drivers. And there's another message for the rest of you that are going to be using 82.*

**Linda:** *We should ADOT that. They're the ones who are controlling.*

**Catherine:** I want to make us move along. Are sure you all feel like you're complete with this.

**Melanie:** Well, I think these were some of the other just potential topics for discussion to get feedback on. So, I know that we've heard, you know, schedule concerns. Is there any other discussion we want to have or feedback on the schedule, or do you mention weekends with a lot of high tourism numbers, a lot of high numbers of visitors. Anything else about weekends?

**Carolyn:** *You say you're going to try to avoid weekend traffic with the concentrate, trucks or concentrate trucks going to be spaced out over 24/7.*

**Melanie:** That's what we're we can get some feedback. Was there a desire to not see them on weekends? And that's something to take back and look at what that might look like and what that would do to the weekday schedule.

**Marcelino:** *But if you're running the plant 24/7, I don't know how that would be possible. So, we*

can go their storage area is really freezing.

**Catherine:** Ben is being patient, raising his hand. So please go Ben.

**Ben:** *The other thing you must consider is that the interchanges there at Ruby and at Rio Rico are both overcrowded, especially during the produce season. I mean, it just gets way backed up to a dangerous point on the freeway. But also, those two interchanges are slated for funds to expand them. And so, the construction during those expansions is something you really need to consider because when they're constructing you know, widening those overpasses sucks to be some delays and maybe closures as well.*

**Marcelino:** *But ADOT does that. What does that mean if you go down the I-10 right now, Tucson, heading up their Phoenix you going to the west part west I-10, then, you know they have all that construction. They tell you don't. Don't go here and at the weekend we're going to close this. So that's something for ADOT to take care of. I am concerned as a community about Ruby Road, but Governor Hobbs has dedicated, I think, \$10 million for the Ruby Road project to go ahead and start Sao Paulo and Rio Rico to then open it forgotten. I think there was \$7 million for that.*

**Fritz:** *So Ruby Road, is that the real slow one.*

**Marcelino:** *That is where the new Pilot Station is. That's where the buses get backed up onto the I-10, I-19 that the first school buses that go to Desert Shadows and Arivaca Elementary,*

**Fritz:** *That's the one that follows the river?*

**Ben:** *The one back off the river Road? That one goes to the Little Red School House.*

**Marcelino:** *That's correct Ben's right.*

**Fritz:** *Yes, that's like, usually slow. I can't drive at the speed limit. Sorry.*

### **3.1.5 Dewatering – South32 Member:**

**Ben:** *We skipped dewatering?*

**Catherine:** *There's no updates. If there's no update, we skip that topic.*

**Ben:** *But there's comments. Because last time we heard about Patagonia when I proposed an alternative location for dewatering Tomas said that was an excellent idea. That's in the minutes. At the same time, we're saying FAST-41 gives us a quicker permit. And yet that was the excuse he used on the premise was to govern not doing the dewatering location that would benefit Patagonia and not harm Patagonia as Harshaw Creek will. And so, to me, it's like wait a minute, you're saying you got FAST-41 needs to do permits fast so why can't just start modeling and applying for those permits? In the meantime, you're probably going to go ahead and sign some Harshaw Creek but as soon as you start seeing that creep, perennial lies and the star impacting Red Rock. I think you should be prepared at least for an alternative de watering location that has much less impact on Patagonia and downstream communities.*

**Carolyn:** *I would add to that Ben, it's not it's not only the impact for Harshaw in a town of Patagonia without excessively watering at what point is the mountain dry down? And to me that's another huge benefit for reinjection is the mountain woman try out*

**Ben:** *some of that back if you go with the alternative, I suggested you get a lot of that coming back towards you to help replenish to some degree, but depression dying out. So, there's a lot less impact not only for potential flooding, but for Brian out. If you go with the alternative, I suggested that Tomas readily agreed was excellent, but then says no it requires permitting.*

*Well, so FAST-41. So, let's keep going on that because hopefully eventually, it'll be a way to go. Maybe you can start in our shop and you're going to see that is a very flashy watershed. It's basically rock and it's all going to come down into Patagonia.*

**Linda:** *So that is the question then to Melanie, why hasn't South32 started permitting and the modeling?*

**Ben:** *Modeling is almost a no brainer. We know that it will come back and last, but certainly the permitting and you know US Forest Service and that's what we're talking about you get fast track it.*

**Melanie:** *So, I can go back and ask, making sure I understand the question correctly if we're considering an alternative discharge location as part of FAST-41 permit.*

**Linda:** *It in the extremely good minutes we got from a very complicated it's on page five. That whole discussion about it. And Thomas said we're evaluating this great idea and we're waiting for permitting.*

**Damian:** *I think it showed potentially discharging in Sonoita Creek.*

**Linda:** *So, there's a good write up on that in the minutes on page 5. That could be on the agenda in July.*

#### **4. Community Group Updates – Panel Members:**

##### **4.1. PARA Update (Attachment 2) – Carolyn:**

The AppleCare protection permit. This is PARA's appeal against the agency's decision to ignore the state statute that says you shall comply, and we are still waiting for the court to find a date of oral arguments on that appeal. The agency, in this map for the Arizona Public and Discharge Elimination System permit study. You can read all this there. But the change is in that last paragraph where the judge had just received the two motions that had been filed. And like 2:15 on Friday and 4:59 on Friday, and Monday at nine, she received them, so she wanted to review them and decide. I put in the wrong date here. I said the week of June 26. It was really the week of June 19. She was going to release her decision and she released her decision yesterday. And so, this is now corrected here that on June 28, the judge ruled to dismiss powers appeal, because quote ADEQ withdrew its final agency action by withdrawing its final decision to issue the permit to South32. And they said that ADEQ will review the comments. Again, it's a procedural process, but it's up to you to have that up that you will still be able to discharge, but everybody's looking at their options. We should say that that's the status. Part of the 30 minutes on hold now to know that all I can tell I can tell you factually, is that ADEQ issued a renewal of the permit, and now they have withdrawn the renewal of that permit. Now the reason I'm going left and right I know doesn't that logically makes sense? However, when you dive into the statutes and rules and regulations, it is possible that South32 may be able to proceed with discharge, because they filed for renewal on time. That's my understanding, South32, people want to say something to that? Okay. And then yesterday, eight conservation organizations filed a federal lawsuit against the Forest Service for issuing permits for exploratory drilling at the Barstow Resource and the Sunny sites site in the South32 Flux site. And I wanted to bring everybody with a combined map because you know, sometimes words on a page are difficult. But what we have done here is these are two separate maps from the two different permits up on the forest service schedule a proposed actions website. One is the Flux Canyon site, which South32's and then this is where there really is proposed, and then Barksdale resources and exploratory company, the Sunnyside project here, and this darker area is a Sunny side and where they propose and then you can see the salary to private property portion of the Hermosa project is right there with Sunny side. The thing about this area over here is this has some of the densest biological diversity anywhere. And Sunnyside is also a protected area for Mexican spotted owl which is on the Endangered Species List. If you ever see pictures of them, they're cute. So, we put this map together in a way for people to be able to see the extent of activity in this area. And the basis for the lawsuit is one of the things the

Forest Service is supposed to consider cumulative impacts. They can't look at this project here and say, well, look, it's only seven holes ahead, which is what they did. That one is essentially a categorical version of the problems seven holes under a year. The Sunnyside is I believe 30 holes and up to seven years. And again, in a very highly biologically diverse area. So, seven organizations who are interested in protecting biodiversity and water, there are also water issues related here, have sued the Forest Service for in the Flux case giving a categorical exclusion, which means no issues, no problems, Go ahead. On a sunny side project back in 2014, the former owner also applied for exploratory drilling permits, and the Forest Service gave them the categorical exclusion, no problem, no foul, go ahead. And multiple organizations sued the Forest Service back then. And we won that case, because they hadn't behaved as they should, as an agency. And that shut that down. That owner sold it off the Barksdale resources, who did go through the environmental assessment process. But again, this needs to be at least in environmental impact statement because of the high biodiversity in this area of endangered species. So, I brought this because I thought it would be helpful to be able to visualize rather than just words coming out in the air.

Questions & Answers:

**Ben:** *Is this 24/7 drilling? Or seven, only?*

**Linda:** *So, the lawsuit, put its drilling on hold?*

**Carolyn:** Not automatically we are probably going to have to file an injunction. And we'll see what happens because in the case of the aquifer protection permit was that the one goes, this is where our motion should stay was denied. It was because the judge said that South32 shareholders would lose funds, so they can proceed. So, you know, it's a system to work with him. And sometimes it's a very frustrating system. So that's all I had to say, on PARA's update. Does anyone have any questions on this update?

#### **4.2. Town of Patagonia Flood & Flow Committee (Attachment 3) – Carolyn:**

On the Town of Patagonia Flooding & Flow updates, nothing much has changed with respect to the flood control project feasibility study that is still in phase one. With an analysis being done looking at doing the baseline reports to then look at how to design a medication, it is expected that that report will be available sometime at the end of June. And so, we'll see what we've seen. The Flood control permit application we didn't have an update at the time. And Melanie, you kind of just told us a little more, we'll find out tomorrow, some Moreland County is there as well. The University of Arizona Water Resources Research Center is ongoing, and they are still gathering baseline data and putting it into a report and designing a draft responsible plan. And with respect to item number four does this would this is working with the Forest Service to write a Watershed Restoration Action Plan? The town's official watershed plan, pardon me, but it is supposed to apply watershed has six walk sub watersheds. And the Forest Service will only work on a plan one at a time. And based on the condition of the six the Harshaw is by far the worst condition. So, the town of Patagonia flooding flow is indicated best when they want to work on it, and they have asked us not to schedule a meeting until after June 19. So that's in process right now. With respect to the school Canyon, I know your kind of interested. Let's see CCC was in the Patagonia area back in the 1930s. And they have an encampment there right off Flux Canyon Road where they were and looking back at it now almost 100 years ago, the watershed restoration work that they did with Williams, and they put in all of these watershed restoration berms and whatnot. Well, one up above the town as has blown out. And so, we notified the Forest Service and had them come in and they are looking at it and the concern is monsoon right around the corner that it's going to flood and unfortunately immediately downstream from that flood is the town's Fire Department building. So, we're so it's important it's elementary school. Yes. Museum and let me because I couldn't get but it is. But you know, I was really impressed with what they did almost 100 years ago was, you know, that's what everybody says now is the best way to go. So very, very interesting. And then it also got involved with property that South32 now owns, which was the former Tree of Life. And South32 went up there. And with some of the flooding flow people to look at that they haven't been reported yet, to back to the Flooding Flow committee animals going to happen, but that's moving forward. And the flood flow committee is still very interested in getting a comprehensive groundwater study that had been defined by the town as to what we mean by that study. And we are continuing to look for people to pay for it we're working on and that will continue. So those are my updates, any questions on the workflow committee. I'll hand it

over to you Fritz.

#### **4.3. WWTP Info (Attachment 4) – Fritz:**

I have put together a memo for the information I received about the Water Waste Treatment Plant (WWTP) testing. I won't read it to you. I didn't get a tour of the plant because it was under construction, and they were fixing things. They are required to do biosolids sampling once a year as required by its permit. They landfill the biosolids weekly. The only thing I could come up with is that we are going to have a manganese process. We should add that to his biosolids list of metals to run. I can't ask him to do that. That's an added cost to the city. I also would ask that they do it quarterly. They currently just do an annual sampling. Every time they run a sampling; they report it to the city. I don't know do we do your neighbor agreement? In the city about either Memorial?

Questions and Answers:

**Linda:** *Personally, I think that is a part of the community agreement.*

**Fritz:** If you do that. The other thought that I have we have so much money for the community

**Linda:** Do you need specific analysis of what you were looking at, affordably or South32 just step in and fund it?

**Fritz:** As far as I'm concerned, once the default arch line is the client what is the scheduling the date file that you had your ceremonial blessing that was for shaft sinking.

**Ben:** *that sort of sharpen thinking construction of the shaft.*

**Joe:** So, exploration shafts, which is separate? Clark exploration decline.

**Melanie:** back, you know, ballpark what the costs are for these extra tests?

**Linda:** Well, what would make sense, I think you'd have an interim analysis to determine if it is going to be a problem with the community agreement. Yes, you know, maybe yearly is fine, because there is but being able to defer quarterly analysis.

**Melanie:** and having baseline information because we're not operating.

**Fritz:** Correct. So, you're basically we have baseline now, but you don't have the manganese. Like I said, once you start sinking that shaft, you're giving positive examples.

**Marcelino:** *The other thing I'm concerned about Melanie is I'm reading Fritz's memo here is the track out of a septic tank, coming to the Nogales wastewater treatment plant, because we take a lot of wastewater treatment from Nogales and order from the Makita Lola's, and now we're going to add, I'm sure that everything in the mind is going to be on set. And with a track out, I just want to make sure that Nogales is prepared, and how they're going to monitor the track out. Because since Patagonia is not taking care of it, it's going to come to Nogales. And they should become aware, how are they going to monitor? What's going to go into their system that they don't, that they're not caught off guard and these guys always bring their septic stuff to us. There's nothing to worry about. But it's going to be different when the strap down. Since Nogales be made aware.*

**Fritz:** To answer some of your questions in some way water plants will sample every septic on every level. They understand what's coming out. And there's a problem of a big decline taken. I don't know. We did that and Elkhorn water we wouldn't take there's a brewery out in Culver Valley, I was a part owner of it. Your new brewery working quietly reduces. But you have a lot.

**Marcelino:** Yeah, but I don't think that Nogales really tests anything like that. I think what they do is just say how you all so much money. That's what they're concerned about. I think that they should be informed.

**Ruth Ann:** There are real restrictions. Didn't know Nogales wastewater treatment plant.



**Ben:** But they receive a lot of, you know, sludge that has Heavy Metal, because of the mucky mess in Mexico, helps right through the IOI. And so, everything comes through. There's already a lot of heavy metals in the sludge coming out without getting to any legal.

**Marcelino:** That's something to make them aware, maybe they do need to test to see. And they may not be doing that.

**Ben:** When you find out from John Lyons, that's the contact that in the Nogales International. I see on the IBWC citizens form large class culture and John might want to contact John and see whether there is any testing going on as to what to do.

**Marcelino:** But I'd be IBWC is a big problem to this problem here, Bill two. So, I'm not a particular fan of I see at all, especially when it comes to the ownership of that line. You're trying to put the ownership of that line on the people in Nogales, when we're taking foreign wastewater, and they want us to be responsible, right.

**Ben:** That's why I'm on the board to make sure things are fair.

**Marcelino:** *I just wanted to make sure that Nogales becomes aware of what we're doing.*

**Ben:** *And I'll get some copies.*

**Melanie:** Yes, because I think, you know, sort of agree and what others have said, including it as part of the GNA and then there's additional baseline sampling that needs to be done to expand the sweep and the things that are sampled more that could be something that's considered as paramount to not only increasing the frequency, but expanding the number of things that are sampled.

**Ben:** *Things that may come into play as PFA and PFOA that are concentrated in sludge and as far as I understand that sludge is being spread out and fields there and so that was a sign that from what they received from Nogales, Sonora, and surrounding areas. Okay, but so that you're adding to that consideration.*

**Linda:** *How did we end up on the trac out, not the cars, but the people and their garb. Did we end up having a shower at the mines?*

**Melanie:** Our plan is that our people will shower and then the company does provide a laundry service. Who launders has not been ironed out yet. What I have seen at other operations, you must shower and before you leave the company launders your clothes. Those clothes are washed at a facility that is permitted for industry.

**Ben:** *If they process manganese in Rio Rico, will they have the same level of safety there? (Showers, laundry, etc.)*

**Melanie:** For the workers there? Yes, because the Industrial Hygienist policies will be the same throughout the company.

**Marcelino:** *You're going to have a full-time industrial hygienist?*

**Melanie:** We currently do have, and he lives in Patagonia.

**Damian:** *One thing to add to the agenda for next month because hopefully we will be hearing from Ty and talking about water. I just heard in the past couple of days. My colleges at the Patagonia Reserve just took their last readings to compile our own baseline study one year water study. We have continuous flow monitoring installed on the reserve.*

**Ben:** *Was there also Isotopes analysis done too?*

**Damian:** I think so.

#### **4.4. GNA Committee Update (Attachment 5) – Damian:**

I'll give you a quick update. This was a very good handout by the way. I haven't looked at it, but I just want to thank whoever put together the minutes from the Good Neighbor agreement. I think this is a good summary. You don't have a copy I didn't make it anyway, hopefully this will be shared but so the meeting was great. It's nice because I love this group so much that it's nice now, I get to see you all in between. But, you know, in that meeting, we talked about content. We reviewed the Scope of Work that was provided by Acorn International and overall, I think we felt comfortable with it. It was comprehensive and open-ended enough to cover the things we wanted. There was one minor edit about including a phrase which we don't need to go into here. And we also agreed that the five-month timeline for that phase one was appropriate. The highlights, you know, one, obviously as we proceed into this Good Neighbor agreement, process, you know, there's a need to know from South32 the equivalent of a plan of operation or something along those lines. And you know, good faith negotiation from all parties is essential, I think we should just go into this very open eyed and everybody started in the same place. Quite a bit of discussion about including the key stakeholders being the key, probably ultimate signatories to it. So, the town of Patagonia, the county and then there was a little bit of discussion around the city of Nogales. I think because the city of Nogales is pretty engaged with South32 and whatnot. They make sense as well. And we discussed I think the idea that those are proper entities because they represent the community legally, so to as opposed to a series of different community groups.

**Marcelino:** *But they've been you know, still from the very beginning when we started with a young man from the university. And you recommended that we bring back the individual that used to be charged, but I'm still concerned as I would like to see something on this Good Neighbor agreement that holds the legality of these groups with South32. Whether it be the common pentagon, a city of Nogales or County of Santa Cruz, but I haven't seen anything that says that they have any kind of legal bearing to have on a GNA with South32.*

**Linda:** *That's what's being developed.*

**Ben:** *I think that that was being that's part of the scope of a court International is figuring that out that that piece of how do you make this legal agreement binding or how can you approach that issue? Well, that's the whole thing.*

**Marcelino:** *We've been spinning our wheels on this, and we still haven't concluded everybody brings out the GNA, but nobody's brought up the legal ramifications of it. And we've held this far. Think that's that has been amazing. We have talked about this is we didn't talk about GNA they came out of the sky, and this was our bright. Other GNA had been used as an example and I just want to make sure before we do any more on this. Just show me case law, some common law that says that this can be done. So, we don't have to be attorneys 1000s and 1000s of dollars. We say oh, here's my opinion.*

**Ben:** *I'm looking for something that's legal and binding. That's what you want is this. This agreement would be legal and binding. 10 years from now, none of us will be on this committee should be other people hired and then people start to change or some time ago I suggested another alternative and not necessarily counting the GNR. Nothing but a bond, that's what we do.*

**Damian:** The bond that covers the future. Yes, that's what we do. How do we do it correctly? That is that is the key question because I agree and I think part of the discussion around bringing in the county and the town and whatnot early is because I think the intention of this group of the panel and the Good Neighbor agreement is that we're also working on something that, you know, those parties will agree to, for legal reasons, you know,

**Linda:** We brought in Acorn International. Yes, we're not just making it up. Acorn will tell us what has worked and hasn't worked and blah, blah, blah.

**Melanie:** And I imagine it can be similar. So currently we have an MOU with Santa Cruz County that has been signed and stuff on the county's website and it's legally binding and it's for just a commitment to kind of work together. So, I think it can be somewhat similar with a lot more detail. But that's just one local example of something that exists between South32 in the county website and legally binding. A memorandum of understanding is a legally binding agreement, but I've never heard of this Good Neighbor agreement. And I just want to make sure and then we'll run out of other

examples and see if there's any case law that has happened with this so we can review that.

**Carolyn:** *There is a good neighbor agreement at the story line in Montana that has been in existence for 20 years. There's a good demonstration of yes it can be done, and it may be the only one with a hard rock mining industry. In terms of this. What is going on now with the subgroup is beginning to outline one of the topics that need to be in this agreement. And that's what we're working on with a team to help us understand all the things that are available to be within it. But not yet getting into the legal definition of the things because it would be a waste of our time to do that because then you're going to bring in the town, you're going to bring in the county and they're going to have their own legal team who want to do that. I think it's fair to say that the working group is trying to come to an understanding of what needs to be agreed on in terms of topics. And that's why we're also keeping the town and the county informed going forward so they know what's going on during this phase. When it comes to this full panel for everybody say Well, here's the outline and you'll get your monthly updates of what it needs to be for any additional input. And then we can turn the lawyers to those for the county and the town that sort of that affair. I just don't*

**Marcelino:** *I just don't want to spend time and 10 years from now well we're not here. And this will want the one of these guys talking about.*

**Damian:** Of course. We did We did talk about there was a discussion around kind of who to include who not to include. So, you know, we need to distinguish between a consultative process and then a legal process. That's kind of a key point to your point. Marcelino that? You know, the legal process will be who's signed the consultative processes engaging with a broader set of stakeholders whether it's Chamber of Commerce, you know, the Rio Rico community, for example, is represented by the county, but they also have unique interest. I think that that's a broad discussion. I look forward to Katherine sharing this document with everybody and then timing and strategy. Today's report is out July 10, we have our one month working group meeting planned and we'll be working with Acorn international on that. I think already some of the subcommittee members have started engaging I know. Carolyn and Jerry spoke with the town manager Ron. All panel members are invited to attend the zoom meeting.

#### **4.5. Q & A Document - South32**

Melody: I don't have an update for this.

Fritz: There were some very specific questions about the unanswered Q&A questions.

### **5. July Meeting – Panel Members**

#### **5.1. Agenda Items:**

**Carolyn:** This is for a future agenda item. Because I you know, I just think it's good for this panel to be able to have something outside of our normal expectation if somebody else wants to bring somebody else in that first to get presented to the panel and be accepted as Yeah, let's schedule that in the future. So that's part of the intention behind me to bring in this particular for a future agenda item. This is Dr. Cousteau, who is a senior Water Program Manager with the Environmental Defense Fund. This is a description of his presentation: In rural Arizona covering 80% of the state and home to the growing population. groundwater pumping is completely unregulated over the last several years, a growing number of rural communities in different parts of the state have come to face significant water supply challenges, as groundwater supplies often normal communities only more supply decline. As a result, more and more rural communities are coming together to develop solutions and advocate for more options and tools that give communities a choice about their future. This presentation will walk through groundwater basics of facts, including what groundwater is and ours manage and take a statewide view of the recent history of how rural communities are approaching more challenges in recent years, and engaging on state water policy in new ways, including a recent proposal called Local groundwater stewardship areas that many rural communities are supporting at the legislature. To understand where we are going on water it is helpful to understand where we have been; the presentation is intended to be educational. Recent polls show water is the number one issue with Arizona voters. And it's a presentation as an invitation regardless of us to join the rural water discussion that is quickly ramping up statewide. So, this is beyond our norm,

if you will, but I think it's very relevant to what we're doing, and I would like to recommend that this be a future topic. Catherine had contacted him but hadn't heard back yet but that's my recommendations his say on depreciation. Well, he's giving this presentation at the July slug flow committee meeting on July 13. His presentation is an hour long.

**Ruth Ann:** *It certainly would be interesting to see if we can plan that for August or September.*

**Carolyn:** Yes, depending on his availability.

**Fritz:** Did you get my agenda item that I stated above Melanie's putting in that thing that was happening in Rio Rico is scheduled for September. He's right now scheduled quarterly. So, in July the October will be the next time we're going to bump it up so seeing this you missed.

**Linda:** School starts, and you know oh yes, he'll be back for so.

**Fritz:** We have available right.

**Melanie:** Have you talked to him or any other?

**Catherine:** No. So, the other part was four that Carolyn was mentioning is not only specifically this individual, but that if any one of you have a suggestion that we bring it to the panel first before approving it. If you're okay, that was two parts I wanted to make sure is there a fee involved with this guy?

**Ruth Ann:** Can we pay him out of our fund for financing or give more than we picked up your agenda item which will be up earlier along in itself with you too.

## 5.2. Meeting Location & Time:

**Fritz:** *I have two requests: that we have the meeting here and that we give Dr. Ty two hours.*

**Ben:** *So, the other thing to echo Fritz's request and to add on a little bit to that, two hours with Ty is great if he doesn't do a presentation for two hours and then we don't have a discussion. Really hard to hear hydrology to hydrology, discussion, time. And moss is certainly welcome because he's very open. He's very interactive with a group. He's always been very interactive. Well, he hasn't.*

**Linda:** *He hasn't shared his approval of the meeting. We were all out or we all asked a whole bunch of questions. But oh, he didn't answer him. And according to Catherine hasn't agreed that the minutes be published.*

**Catherine:** *There's a whole travel schedule. A tough time just travel wise for him.*

**Linda:** *But didn't he say that he didn't he approve what I'm shared. He approved of what he shared was basically that tight knit presentation. And there were questions. There was no detail. And he hasn't signed off yet perhaps for travel reasons on the detail.*

**Ben:** *So, if there isn't a discussion especially on the model.*

**Catherine:** We have a proposal that we need here next one, because of the nature of this facility. So, let's do a quick vote on whether our is the group on threat is yes. And suddenly say if we do approve here, that we go back to the two months over there. I mean, for the time being it would be an issue, but I would even out.

**Marcelino:** *Well, I agree they have they've been brought that up and I do I hope you understand my position of government competing with the private. I don't like that. But if you're going to say there'll,*

*be another meeting here, and there were two meetings over there, and then you Please steal them that I edited that I would have. And it wouldn't be nice if he attended to me.*

**Linda:** It would be nice to ask Gerry, I'll do that too. Because for all we know, showing up is a loss. I don't think he doesn't make money. I don't think so. He might, he could turn that room over in terms of lunch multiple times during the two hours. All right. So

**Catherine:** All right. So, our meeting here next month will be here in Nogales, and then in Patagonia, August, and September.

**Marcelino:** *Yeah, that's good. Okay, could you please check to make sure that this room is available next month because they have it here every other month? Or if you could go ask Georgina.*

**Catherine:** *For confirmation, now the proposal was that we have a three-hour meeting beginning from 11:00 to 12:00 will be Panel business and from 12:00 to 2:00 is focused on water and Dr. Ty and discussion. Today will make sense to be okay I don't see anyone really saying no so not but*

**Ruth Ann:** *I agree with the idea of not the two hours that Dr. Ty is going to talk one hour shouldn't be Question and Answer rather than just the whole two hours presentation let him know that that's not except we will need.*

**Ben:** *Would you let him know that we will need a presentation from him? We need a discussion wherever. Well, yes, but*

**Melanie:** I think these are legitimate responses. But you'd have to coordinate that with Dr. Ty so that he knows what the feeling is and what the expectations are. And then when he shows up, he knows what it is. They should have been just able to have one hour and have Catherine express this to Dr. Ty, the professor, what our expectations are for those two hours.

**Fritz:** *So, I might be wrong, but he was supposed to come back and verify more things that have been turned over to him with regards to the model.*

**Ben:** Yes.

**Catherine:** Okay meeting here next month and then the following two meetings in Patagonia.

**Carolyn:** And yes, this is for a future agenda item. Because I you know, I just think it's good for this panel. To be able to have something outside of our normal expectation if somebody else wants to bring somebody else in that first to get presented to the panel and be accepted as Yeah, let's schedule that in the future. So that's part of the intention behind me to bring in this particular for a future agenda item. This is Dr. Cousteau, who is a senior Water Program Manager with the Environmental Defense Fund. This is a description of his presentation. It won't take long. In rural Arizona covering 80% of the state and home to the growing population. groundwater pumping is completely unregulated over the last several years, a growing number of rural communities in different parts of the state have come to face significant water supply challenges, as groundwater supplies often normal communities only more supply decline. As a result, more and more rural communities are coming together to develop solutions and advocate for more options and tools that give communities a choice about their future. This presentation will walk through groundwater basics of facts, including what groundwater is and ours manage and take a statewide view of the recent history of how rural communities are approaching more challenges in recent years, and engaging on state water policy in new ways, including a recent proposal called Local groundwater stewardship areas that many rural communities are supporting at the legislature. To understand where we are going on water it is helpful to understand where we have been; the presentation is intended to be educational. Recent polls show water is the number one issue with Arizona voters. And it's a presentation as an invitation regardless of us to join the rural water discussion that is quickly ramping up statewide. So, this is beyond our norm, if you will, but I think it's very relevant to what we're doing, and I would like to recommend that this be a future topic. Catherine had contacted him but hadn't heard back yet but that's my recommendations. say on depreciation. Well, he's giving this

presentation at the July slug flow committee meeting on July 13. And he said his presentation is an hour long.

**Liz:** *It certainly would be interesting. I'd like to see that.*

**Ruth Ann:** *Can we plan that for August, September.*

**Catherine:** *It looks like the group agrees that this would be a good guest speaker.*

**Carolyn:** Depending on his availability.

**Fritz:** August September.

**Marcelino:** Did you get my agenda item that I stated above Melanie's putting in that thing that was happening in Rio Rico?

**Catherine:** Yes.

**Fritz:** *So, isn't Ty scheduled to come back in September?*

**Catherine:** He's right now scheduled quarterly. So, in July it will be October and will be the next time.

**Fritz:** *I thought we were going to bump it up because he missed June.*

**Linda:** School starts, and you know oh yes, he'll be back for so.

**Melanie:** Have you talked to him recently?

**Catherine:** No, but I will contact him. So, the other part was that Carolyn was mentioning is not only specifically this individual, but that if any one of you have a suggestion that we bring it to the panel first before approving it. If you're okay, that was two parts? I want to make sure you approve of both.

**Ruth Ann:** I wanted to make sure is there a fee involved with this guy? Can we pay him out of our funds for financing or give more?

**6. Wrap-Up – Final Comments - Catherine:** None. Meeting adjourned at 2:02 pm.

5 Attachments:

- 1 – South32 Briefing Slides
- 2 – PARA Update
- 3 – Town of Patagonia Flood & Flow Committee Update
- 4 – Fritz's Memo to Panel Regarding the WWTP
- 5 – GNA Subcommittee Meeting Summary

# Attachment 1

## South32 Hermosa Briefing Slides



Facilitation Provided by Interfuse Associates  
[www.interfuseassociates.com](http://www.interfuseassociates.com)  
[Catherine@interfuseassociates.com](mailto:Catherine@interfuseassociates.com)

# SOUTH32 HERMOSA

Project Update  
**June 2023**



# ONGOING PERMITTING & SITE ACTIVITIES

## 1. Flux Exploration Drilling Plan

- Received decision memo and working on final plan

## 2. Small Tracts Act

- USFS Review

## 3. AZPDES Permit

- Current permit remains effective during new permit review

## 4. APP Permit

- Arizona State Superior Court denied PARA's motion to stay the WQAB decision during pendency of appeal

## 5. Site Exploration

- WTP2 substantial construction complete, commissioning commenced.

## 6. Off Site Projects

- Pollinator garden project (field work occurring now)
- CCC Construction (grading – neighbor walk June 22 @8am)

## 6. Air Permit

- Application filed with ADEQ in October 2022

# FAST-41: PERMITTING COUNCIL AND DASHBOARD



## The Permitting Dashboard

FAST-41 covered projects are entitled to comprehensive permitting timetables and transparent, collaborative management of those timetables on the Federal Permitting Dashboard.

- [South32 Hermosa Critical Minerals Project | Permitting Dashboard \(performance.gov\)](https://performance.gov)

- Update expected July 5, 2023

The screenshot shows the 'PERMITTING DASHBOARD' for 'FEDERAL INFRASTRUCTURE PROJECTS'. It features a navigation bar with 'ABOUT', 'PROJECTS', and 'RESOURCES'. The main content area displays the project name 'South32 Hermosa Critical Minerals Project' and the posting date 'MAY 05, 2023'. A disclaimer states: 'All dates below are specific to the schedule of the Environmental Review and Permitting processes for this project.' Below this, there are four key metrics:

- ENVIRONMENTAL REVIEW AND PERMITTING STATUS PLANNED**: Represented by a clock icon with a circular arrow.
- ESTIMATED COMPLETION DATE OF ENVIRONMENTAL REVIEW AND PERMITTING PENDING**: Represented by a calendar icon with a checkmark.
- ENVIRONMENTAL REVIEW AND PERMITTING PROCESSES COMPLETED**: Represented by a circular icon with '0 out of 0'.
- SECTOR Mining**: Represented by an information icon.
- CATEGORY Project Category FAST-41 Covered Projects**: Represented by a document icon.
- LEAD AGENCY Department of Agriculture, US Forest Service**: Represented by the USDA logo.

# TRANSPORTATION MANAGEMENT PLAN (TMP)

## Objectives:

- Efficiently manage transportation logistics for the Hermosa project
- Reduce traffic congestion, enhance safety, and minimize the project's impact on the surrounding community and environment

## What's included:

- Transportation options:
  - Park and ride locations for shuttle/carpooling to reduce congestion
- Resources & coordination:
  - Dedicated logistics role
  - Coordinate with local authorities and event organizers for safe movement of vehicles, pedestrians, and cyclists.
  - Safety training and enforcement of traffic rules
- Communication
  - Share information about changes, possibility of real-time updates
- Monitoring & evaluation
  - Data collection, feedback

# TMP DISCUSSION & FEEDBACK

## Topics for discussion:

- Schedule
  - Commuter traffic (early morning and evening hours)
  - School bus schedule
  - Input on weekend schedule
- Communication
  - Possibility of real-time updates (interested in traffic flow displays?)
- Safety
  - Pedestrian safety, bicycle safety
  - Managing speed
- Other possible considerations
  - Park and ride locations
  - Communication – planned oversize loads with the potential for delay
  - Continued support for local businesses (light vehicles traveling through town)
- What are we missing?



# Attachment 2

## PARA Update



Facilitation Provided by Interfuse Associates  
[www.interfuseassociates.com](http://www.interfuseassociates.com)  
[Catherine@interfuseassociates.com](mailto:Catherine@interfuseassociates.com)

**INFORMATION for the Santa Cruz County Advisory Panel on Hermosa Project  
Presented by Panelist Carolyn Shafer as a PARA Board Member  
June 21, 2023**

These are three sources for information relative to water issues in the Sonoita Creek Watershed that I recommend:

- The [Town of Patagonia “Sonoita Creek Flood & Flow Committee”](#) (“F&F”) which conducts (currently via Zoom) monthly public meetings the second Thursday of each month at 10 a.m.
- [Friends of Sonoita Creek](#) (“FOSC”)
- [Patagonia Area Resource Alliance](#) (“PARA”)

**UPDATES:**

**AQUIFER PROTECTION PERMIT:**

- ADEQ filed its Answering Brief on Jan 23 and South32 filed its Answering Brief on Jan 26. PARA filed its Consolidated Response Brief to both Answering Briefs on February 13. Now we wait for the Court to assign a date for oral arguments on the Appeal.

**ARIZONA POLLUTANT DISCHARGE ELIMINATION SYSTEM (AZPDES) PERMIT:**

- On March 10, ADEQ released its Decision to Renew the permit. PARA filed its Appeal on April 7.
- During the ADEQ May 31 settlement conference ADEQ announced it was going to withdraw renewal of the AZPDES permit.
- During the Office of Administrative Hearing on June 12, the Hearing Judge advised she had just received ADEQ’s Motion to Dismiss PARA’s Appeal and PARA’s response; ~~therefore, she will consider the Motions and issue a decision during the week of June 26.~~ On June 20 (late afternoon), the Judge ruled to vacate PARA’s Appeal from the calendar of the Office of Administrative Hearings and to remand the matter to the Water Quality Appeals Board because “ADEQ withdrew its final agency action by withdrawing its final decision to issue the permit to South32.”

**FOREST SERVICE PERMITTING EXPLORATORY DRILLING AT SOUTH32 FLUX SITE ON PUBLIC LANDS:**

- On June 20, PARA and seven other conservation organizations filed a federal lawsuit against the Forest Service for issuing the permits for exploratory drilling at the Barksdale Resources Sunnyside site and at the South32 Flux site. The lawsuit states that the Forest Service provided these permits without sufficient consideration of the cumulative impacts.

**PATAGONIA AREA RESOURCE ALLIANCE** collaborates with Strategic Partners to protect the water, land and wildlife of the Patagonia Mountains and the Sonoita Creek Watershed from the negative impacts of modern industrialized mining, works to assure that any mining activities meet the highest science-based standards of protection of our region’s natural assets, and supports the expansion of the nature-based restorative economy that depends on the remarkable biodiversity and cultural heritage of our region.

# Attachment 3

## Town of Patagonia Flood & Flow Committee Update



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[Catherine@interfuseassociates.com](mailto:Catherine@interfuseassociates.com)



**Town of Patagonia Flood & Flow Committee Update  
for the Santa Cruz County Advisory Panel on Hermosa Project  
Presented by Panelist Carolyn Shafer as a Flood & Flow Committee Member  
June 21, 2023**

The [Town of Patagonia "Sonoita Creek Flood & Flow Committee"](#) ("F&F") which conducts (currently via Zoom) monthly public meetings the second Thursday of each month at 10 a.m.

**CURRENT PROJECTS**

This is a summary report of Flood & Flow (F&F) Committee activity during June 2023.

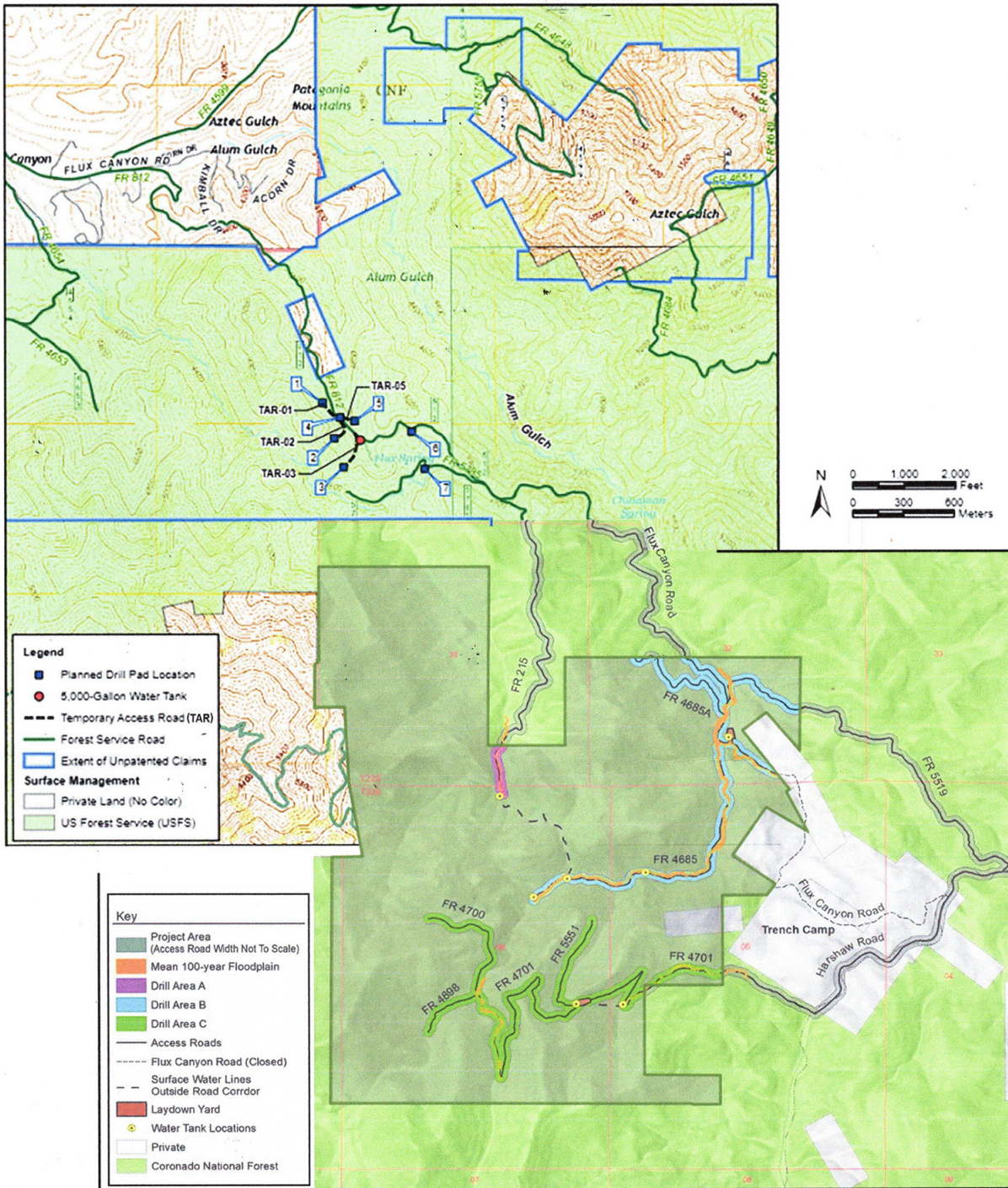
1. With respect to the Patagonia Regional Flood Control Project Feasibility Study, Chairperson and Town Engineer Bill O'Brien advises that Phase 1 will be the collection of all data and a progress report will be out by the end of June.
2. With respect to the flood control permit application by South32 for the Cross Creek Connector route; Carolyn advised that Melanie Lawson did not respond to several emails.
3. With respect to the UofAZ Water Resources Research Center's work with the Town on preparing a Drought Responsible Plan for a Water Resilient Community, Howard advised that information is being compiled.
4. With respect to the meeting with the Coronado National Forest, Carolyn advised that the Sierra Vista District is reviewing document and has asked for a meeting to be scheduled after June 19.
5. With respect to the update on the School Canyon failure of retention structures, Bob advised that there would be a site visit with the Forest Service and also with South32 since part of the area of concern is on what is now South32 property.
6. With respect to a comprehensive groundwater study: Chairperson Bill showed the South32 video about potential flooding and also shared the South32 slide on the cone of depression enhanced by Robert Gay to show identifying local landmarks. PARA's response video was also shown.

The next Committee meeting is scheduled for July 13, 2023.

# FLUX CANYON EXPLORATION DRILLING

EXHIBIT 3

South32, an Australian Mining Company



## SUNNYSIDE EXPLORATION DRILLING PROJECT

Barksdale Resources, a Canadian Exploratory Company

### MAP C TWO EXPLORATORY PROJECTS IN THE PATAGONIA MOUNTAINS

Source for map of SUNNYSIDE EXPLORATION DRILLING PROJECT  
 p.6 of CNF Draft Decision Memo, May 30, 2023, accompanying SOPA Project #55719  
 Link <https://usfs-public.app.box.com/v/PinyonPublic/file/1123239655942>

Source for map of FLUX CANYON EXPLORATION PROJECT  
 Map preparation by Westland Resources Inc, a contractor to South32.  
 Links <https://www.fs.usda.gov/project/?project=62505>  
 then p.6 of Decision Memo, May 30, 2023, accompanying SOPA Project #62505  
<https://usfs-public.app.box.com/v/PinyonPublic/file/1226968335090>

# Attachment 4

## Fritz's Memo to the Panel



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[www.interfuseassociates.com](http://www.interfuseassociates.com)  
[Catherine@interfuseassociates.com](mailto:Catherine@interfuseassociates.com)

June 9, 2023

***Memo to the Santa Cruz County Advisory Panel***

On June 8, I briefly spoke with Ron Robinson, Patagonia Town Manager about the Wastewater Treatment Plant (WWTP) and the biosolids. The plant is currently undergoing repairs and upgrades, so a plant visit cannot occur until this is completed.

The WWTP is a small package of the Marwood extended air plant. The Biosolids cakes are produced and hauled weekly to the landfill and covered. They are sampled and analyzed once per year as required by Permit and 40 CFR503. Currently the metals loading into the biosolids are low according to the Biosolid Management Handbook linked below.

Metal Limits:

<https://www.epa.gov/sites/default/files/documents/handbook3.pdf#:~:text=SECTION%203.1%200C%20POLLUTANT%20LIMITS%20The%2040%20CFR,and%20organic%20pollutants%2C%20as%20well%20as%20total%20hydrocarbons.>

Attached is the latest Biosolids report for the Town of Patagonia. The study was conducted by Legend Technical Services, Inc. on February 10, 2023. This is our starting baseline for the WWTP. We should ask that in the future, quarterly biosolids analysis with manganese become the standard to check for potential track out issues.

The city does have a pretreatment code/program (Section 12.6); however, I was not able to open this program. Hopefully, it is adequate. In Elko, we had to develop the program, get state approval, and hire a pretreatment coordinator to remove the Notice of Violation (NOV).

Patagonia WWTP does not have septic receiving so all septic must be transported to Nogales WWTP for disposal and treatment. This means any potential track out issue with the local septic tanks may become a problem for the Nogales WWTP.

The added sampling and costs should be the burden of the South32 Hermosa Mine. This may be a good topic to add to the GNA.

Thank you,

Fritz Sawyer

Attachment: Biosolids Report dated 03/01/23

George Diethorn  
Town of Patagonia  
P.O. Box 767  
Patagonia, AZ85624

Project: Biosolids  
Project Number: Biosolids

Reported:  
03/01/23 11:23

Analyte

**Beltpress (Beltpress) (23B1608-01) Solid (Grab) Sampled: 02/10/23 10:00 Received: 02/13/23 09:29**

Analyte	Result	PQL	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
Legend Technical Services of Arizona, Inc.									
<b>Total Metals</b>									
Antimony	<4.0	4.0	mg/kg	2	B3B0462	02/14/23 09:52	02/15/23 19:06	EPA 6010C	D1
Arsenic	<8.0	8.0	mg/kg	2	B3B0462	02/14/23 09:52	02/15/23 19:06	EPA 6010C	D1
Barium	22	0.40	mg/kg	2	B3B0462	02/14/23 09:52	02/15/23 19:06	EPA 6010C	D1
Cadmium	0.18	0.16	mg/kg	2	B3B0462	02/14/23 09:52	02/15/23 19:06	EPA 6010C	D1
Chromium	1.6	0.20	mg/kg	2	B3B0462	02/14/23 09:52	02/15/23 19:06	EPA 6010C	D1
Copper	45	0.40	mg/kg	2	B3B0462	02/14/23 09:52	02/15/23 19:06	EPA 6010C	D1
Lead	<4.0	4.0	mg/kg	2	B3B0462	02/14/23 09:52	02/15/23 19:06	EPA 6010C	D1
Mercury	<0.067	0.067	mg/kg	1	B3B0710	02/17/23 11:09	02/17/23 15:47	EPA 7471 B	
Molybdenum	0.88	0.80	mg/kg	2	B3B0462	02/14/23 09:52	02/15/23 19:06	EPA 6010C	D1
Nickel	1.9	0.80	mg/kg	2	B3B0462	02/14/23 09:52	02/15/23 19:06	EPA 6010C	D1
Selenium	<8.0	8.0	mg/kg	2	B3B0462	02/14/23 09:52	02/15/23 19:06	EPA 6010C	D1
Silver	<0.40	0.40	mg/kg	2	B3B0462	02/14/23 09:52	02/15/23 19:06	EPA 6010C	D1
Zinc	100	0.80	mg/kg	2	B3B0462	02/14/23 09:52	02/15/23 19:06	EPA 6010C	D1
<b>Inorganic Chemistry</b>									
% Solids	14.2	1.0	%	1	B3B0444	02/14/23 14:43	02/14/23 14:43	SM 2540 G	

**Sample Condition Upon Receipt:**

Temperature: 2.00 C  
All samples were received in acceptable condition unless noted otherwise in the case narrative.

**Case Narrative:**

**Holding Times:** All holding times were met unless otherwise qualified.  
**QA/QC Criteria:** All analyses met method requirements unless otherwise qualified.  
**Accreditations:** AZ(PHX)0004, AZ(TUC)0004, AIHA#102982, CDC ELITE Member.  
Accreditation is applicable only to the test methods specified on each scope of accreditation held by LEGEND.  
**Comments:** There were no problems encountered during the processing of the samples, unless otherwise noted.  
All samples were analyzed on a "wet" basis unless designated as "dry weight".

**Notes and Definitions**

D1 Sample required dilution due to matrix.



# Attachment 5

## SCCAP Working Group Report



Facilitation Provided by Interfuse Associates  
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[Catherine@interfuseassociates.com](mailto:Catherine@interfuseassociates.com)

# GNA Working Group (WG) Report

## Santa Cruz County Advisory Panel on the Hermosa Project

### June 1, 2023, 11:00 am – 12:00 pm AZ Time via Zoom

The meeting focused on the Draft Scope of Work prepared by Acorn International for Phase 1 of the Good Neighbor Agreement. Representing Acorn International was Ranay Guifarro, Corporate Social Responsibility Specialist.

- **Content:** The WG agreed that the Scope of Work is well crafted and does not limit the focus or direction of the group to explore what is needed to develop the recommendations for Phase 2. The group agreed to one edit: the addition of the phrase “community agreements” at the end of the first sentence in Section 1 – Scope of Work.
- **Schedule:** The five-month process was approved. It will begin with the July 10 WG meeting. It will conclude with the delivery of the Phase 1 report in the final week of November.

<p><b>Present:</b></p> <ul style="list-style-type: none"> <li>• Ranay Guifarro</li> <li>• Gerry Isaac</li> <li>• Melanie Lawson</li> <li>• Ben Lomeli</li> <li>• Damian Rawoot</li> <li>• Caroline Shafer</li> <li>• Catherine Tornbom</li> </ul> <p><b>Not Present:</b></p> <ul style="list-style-type: none"> <li>• Linda Shore</li> </ul>
--

#### Process Discussion Highlights:

- There is a need to know from South32 the equivalent of a plan of operation to create the document.
- Good-faith negotiation from all parties will be essential.
- The necessity of including key signatories early in the process so they are prepared and supportive at Phase 2.
- The number of signatories to the agreement will need to be a select group of legal entities who will be directly impacted by the mine. Too many will complicate the effort. Suggestions include (but may not be limited to) the Town of Patagonia, Santa Cruz County, and possibly the City of Nogales.
- While inclusion is of high value to all members of the WG, the group will need to remain small in number to be effective.
- The WG needs to distinguish between the consultative process and the legal process. This means that paths for input will be developed to reach as many unincorporated and non-signatory communities and groups as possible. This may include, but is not limited to:
  - Nogales-Santa Cruz County Chamber of Commerce
  - Rio Rico
  - Sonoita-Elgin Chamber of Commerce
  - Tubac Chamber of Commerce
  - Santa Cruz Valley Citizens Council

#### Initial Timing and Strategy

Date	Description	Who
June 21	Report to Panel	Damian
July 10	Month 1 – WG Meeting 1) Step 1 in “GNA” process 2) Develop talking points for Town Manager Ron and County Supervisors	Acorn International Catherine and WG
July 10 – 19	<ul style="list-style-type: none"> <li>• Contact Town Manager Ron</li> <li>• Contact County Supervisors</li> <li>• Nogales-Santa Cruz County Chamber of Commerce</li> </ul>	Carolyn and Jerry Damian and Ben Damian and Ben
July 19	Report to Panel – providing significant updates	Damian
Aug 3	Month 2 – WG Meeting 1) Step 2 in “GNA” process 2) Set up process to consult with non-signatory stakeholders	Acorn International Catherine and WG
Aug 3 - 16	Consult with non-signatory stakeholders	WG
Aug 16	Report to Panel – providing significant updates	Damian
Sep 7	Month 3 – WG Meeting 1) Step 3 in “GNA” process 2) Strategize Deep Dive for Panel to get input	Acorn International All
Sep 20	Report to Panel/Deep Dive	Damian

The next working group meeting will be held on July 10 at 11:00 am.

Zoom Link: <https://tnc.zoom.us/j/8712196245?pwd=bTBieFp0M3h3UnFBaTI2NDd6ZnNnZz09>

