

Community Transition Advisory Committee (CTAC)
Meeting Minutes
November 19, 2009

CTAC meeting was held on 11/19/09 in the Extension Office conference room in Whitehall. *Attendees* were Tim Dimock, Mark Thompson, Bob Brock, Paula Johnston, Liz Kidwell, Tim Mulligan, John Brower, Roy McBride, Tom Harrington and Nancy Wheeler. *Guest:* Gary Sundseth

1. Tom called the meeting to order at 8:10 a.m. with introductions.

2. Minutes of Last Meeting

Tim D. made a motion to approve the meeting minutes from 10/8/09; Paula seconded the motion. Minutes were approved as published.

3. Golden Sunlight Mine (GSM) Operations

a. Current Operations Update

Tim D. reported the mine continues struggling to increase production rates; are experiencing some equipment and people availability issues. The mine recently hired four temporary employees that will be with the mine over the next year and one new mobile maintenance mechanic. When the new trucks are approved, additional temporary employees will be hired. The mine had a major failure on one of their three digging units. The electric shovel lost the house rollers and it had to be moved out of the pit; expected repair time is a month. The mine is managing small scale wedge failures on a high wall; nothing they are overly concerned with. Two geotechnical engineers are at the mine this week to primarily help with the east area feasibility study and will also review the instabilities.

b. Pit Lay Back Progress/Permit Expansion Update/Concentrator Status

The drilling for the east pit evaluation is about 70 percent complete. The critical path for the project is the permitting and the mine hopes to submit a permit in February. The mine's senior metallurgist and the mill supervisor are in Ontario conducting concentration testing for the gold sulfide concentrator feasibility study. Last week a number of contractors that are working on the feasibility study were with them on site and the transportation company was on site the week prior to that. There is a big effort to complete the project before year end. Tim D. said there is a short timeline and permitting for the concentrator should be a quick process. Mark said GSM is in competition to provide this product and needs to do a feasibility study to establish a unit rate to provide the product. If successful in providing a price that's acceptable it's a go; if not, they'll go elsewhere. Mark said there are two phases to the concentrator project. The first phase would be developing a concentrate from the ore the mine is producing while the mill is running; the second phase would be reprocessing tailings. Mark said they will also permit it as a two phase process. The first phase would be for construction of the concentrator. Tim said construction would have to start in 2010 as the product is required in 2011. The actual decision as to whether it's a go will be made in January. GSM mine life would be extended for about 20 years if they are awarded the project but with a greatly reduced work force.

c. Alaska October 28th Visitation Discussion

Tim D. said the Alaska visitors always enjoy the mine tour as does the mine personnel. The picture Liz took of the Alaska contingent was sent to them as they wanted to have it published in their newspapers. Another contingent may come to the mine early next year.

d. Wind Development Update

Tim D. said he has nothing new to report since the last CTAC meeting.

e. Chad Hymas Presentation Update

Chad is a motivational speaker the mine uses to help motivate better safety behaviors. Paula thanked the GSM for allowing Chad to come to the schools on November 12th and 13th and speak to the students and

faculty. Paula said schools from Cardwell, Harrison and Twin Bridges also attended the presentations. Tim said Chad gave three presentations a day between the schools and the mine and did a great job.

4. GSM Environmental Update

Mark reported no incidents since the last CTAC meeting. Mark is busy with two applications for permit modifications in the state; one for reconfiguration of a dump that's an amendment and should go out for public comment soon. The other permit is to expand the dump actively being used now and should be approved either tomorrow or early next week. Mark is also heavily involved in the east area feasibility study and the concentrator feasibility study.

5. Sunlight Business Park Overview

a. Phase II Grant Status

Tom said EDA is still working on finalizing the grant. Staff had a discussion with EDA yesterday and the grant has been forwarded to their Washington office.

b. HUD Special Grant – Recovery Dollars

The HUD special grant is an appropriation of \$142,500 through Senator Tester's office. The contractor has finished the required second Environmental Assessment (EA) of the property and it will be sent to the Washington D.C. office for approval to release the funds. The money will be used for infrastructure development at the business park hopefully this spring. The engineer has been working on the rewrite of Phase 1 of the business park and it has been submitted to the DEQ. The rewrite is basically a scaled down version of the 200 acre park to a 48 acre, Phase 1 development.

c. Subdivision Update

Tom said JLDC still has preliminary plat approval and received an extension through the Commission office until June-July, 2010

d. Biomass

Tom said a biomass working group started about two months ago at the request of a couple businesses in the county. There are a couple ongoing projects at ground level and staff helped one get started in the Boulder area. A working group out of Northwestern Montana has some investors that are looking at about six sites for co-gen facilities with SBP being one of the potential locations. Staff took the group to the future park site. The group is looking at burning wood products, primarily from private sources, with governmental sources being secondary. They would also like to get into agricultural development and develop plant sources that could be used as a fuel source. They have an elaborate plan and are currently doing their feasibility analysis. The group is looking at a 20-25 megawatt project and, if they decide to locate at the SBP, they would build a substantial plant there.

e. TIFD Update

A couple meetings have been held with the Commission and resolutions done. Staff is working on two TIFD's in the county; one in northern Jefferson County and one at the SBP. The final resolution and approval of the TIFD will take place at the December 1st Commission meeting; will then go through the Clerk and Recorder office, then to the Department of Revenue for final review and, if approved, the TIFD is established. The TIFD doesn't change the tax base; it just keeps the tax base frozen so any new development would be the increment tax that is used for future development and infrastructure.

f. Interpretive Center

The Interpretive Center is one of the first buildings JLDC is looking at for the park. Part of the concept is for a business incubator tied into the center. In JLDC's proposal submitted as part of the EDA packet, the Interpretive Center/Business Development Center would include a small business area to combine services for start-up businesses such as accounting, business consultations, etc. and JLDC would support the businesses, helping them to grow and expand. The Interpretive Center would be an educational opportunity; to learn about the gold mine and how gold is produced, possibly tour the mine and learn about

reclamation and some of the other projects the mine has been involved with. Education could expand to wind when wind towers are erected, co-gen facility if that develops in the park, the Jefferson River Watershed Council, etc. It's a good way to tell the story on mining, the environment and reclamation so future people know of the mine's history. Discussion followed.

6. Pavilion Status – GSM Assistance

Tom said the Community Development Board (CDB) is still working that and are looking at the site location near the Fire Hall; coordination with other agencies is needed.

7. Fire Relief Update/Community Revitalization Forums

Tom said the Fire Relief Committee will be disbanding; there is an approximate \$3,000 balance that is committed to the water mitigation on buildings downtown. The Fire Relief Fund will be closed by the end of the year for tax purposes and any balance left in the account at that time will revert to the Chamber.

The Chamber, JLDC and Extension Service held five weekly evening Revitalization Forums in Whitehall. Tom gave a review of the weekly meetings and said there was good discussion at the meetings. The Forums were a result of a lot of people wanting to know what the future plans are for Whitehall and the forums gave them a chance for their input. Liz said a great group of people that are really interested in Whitehall's future attended. A "Top Ten" list of what they would like to see happen in Whitehall was compiled and will hopefully influence the Growth Policy. Whitehall's identity and ideas for putting Whitehall on the map was discussed in the meetings. Gary asked about representation for the agriculture community that is a very vital part of the Whitehall area. Tim M. said it's very important and that it's a challenge to get the agricultural community involved as an organized entity as their lifestyle and character is not into meetings. Tim M. said the Fish, Wildlife & Parks have an interest in instigating an initiative for the Jefferson River, North Boulder area, as a conservation focus. Tim M. is a member of the Jefferson River Watershed Council (JRWC), an active group involved with agriculture and very visible in the community and said JRWC is looking for any data base assessments that have been done that could be related to the Jefferson River, the Jefferson Slough and Pipestone/Whitetail as part of the plan they are writing will identify what the status of the water issue is in the valley. Tim D. said the mine information that's submitted to the State is public information and is available to them. Discussion followed. Mark said he would be able to get JRWC information if they give him a narrower definition of what they want.

8. Veterans Home Update

Tom gave an update on the Veterans home. GSM was approached for land for the potential home if located in Jefferson County. Due to the cost for infrastructure and short timeline, the site will not be feasible. The Committee has two other potential sites in the county; one in the north end and one in Boulder. A sewer system upgrade is currently being done at the South Campus in Boulder and the City of Boulder is going to expand the project to include part of the ground where the potential home may go. The Committee is now looking at Boulder for the primary location. Tom said the Committee and he appreciates the property GSM offered. Tom said this is a competitive process with six counties competing. The counties were asked to submit their best proposal and land infrastructure for the home. The state is looking at 10-20 acre sites and will not give any money for the infrastructure or land; only the building of the facility. The Committee will recommend a location to the Governor and he will make his decision in April-May.

9. Whitehall Growth Policy

The Town has been working on the Growth Policy with the contractor for seven-eight months and the public hearing for the policy will be December 7th at the Town Hall in Whitehall. The Growth Policy is a five year plan that sets the flavor for what the Town wants for future development in Whitehall and the surrounding area – commercial, industrial and agricultural. Subdivision and building regulations need to be in concert with the Growth Policy. It identifies key issues in the area such as potential wetlands development, future expansion of the town limits, etc. There will be a Memorandum of Understanding between the Town of Whitehall and Jefferson County as many things going on outside of the Town of Whitehall have an impact on the Town. Every five years the Town is required to do a complete rewrite of

the plan. Tim M. said if anyone is interested in tracking the plan the Jefferson River Watershed Council is writing, it's available on the Internet at <http://www.jeffersonriverwc.org/>; the document will be edited weekly. Tom said the document should perhaps be referenced in Whitehall's Growth Policy.

10. Next Meeting

Next meeting is **Thursday, December 10th** at the Golden Sunlight Mine's conference room; meet at the Extension Office by 7:45 a.m. to carpool to the mine. Meeting adjourned at 9:05 a.m.

Nancy Wheeler, Note taker