MINUTES REGULATORY POLICY SUBCOMMITTEE COMMITTEE ON MICHIGAN'S MINING FUTURE

Virtual Teams Meeting
December 10, 2020, 1:00 pm – 3:00 pm

Roll Call

Sean Hammond – present Jim Kochevar – absent Jerry Maynard – present Kirk Lapham – present Adam Wygant – absent Hal Fitch – present

Others attending

Erin Louthian (sp), Michigan Infrastructure and Builders Magazine Horst Schmidt
Jennifer Rigterink, Michigan Municipal League
Rick Duncan, Fishbeck
Joe Hefele, City Manager, Rogers City MI
Mark Snow, OGMD
Melanie Humphrey, OGMD
Mike Sweat, OGMD

Review Draft Meeting Minutes of November 12, 2020 Meeting

No comment, approved by members present.

Presentations

Jennifer Rigterink – There is no formal presentation, Michigan Municipal League (MIML). Concerned about local control legislation regarding aggregates. Environmental concerns should be addressed. Need to consider specifics of each locality. Township associations may have input on hard rock, but MIML primarily concerned with aggregates. Would like to maintain status-quo.

Joe Hefele, Rogers City Manager – Calcite Limestone quarry located in Rogers City, is the largest in the world. Carmeuse operator since 2008. Truck traffic a concern; scenic route into town bisects quarry and draws tourists, the largest funding source for city operations after the quarry.

Jerry Maynard – The Eagle Mine is an example of independent monitor group funded by mine. Anything similar to that between the city and Carmeuse mine?

Joe Hefele – Not that he's aware of, although there are sometimes conversations on topic when controversial topics arise.

Hal – The community involvement w/ mining operations (or lack thereof) likely influences how community responds to mine proposals.

Sean – Would current aggregates legislation have a negative impact?

Joe – Currently, there are good relations between the community and Carmeuse, so probably not likely. Principal concern would be loss of local input.

Jennifer – Many communities with pending applications before them; applicants have gone silent assuming that they can proceed without community input if legislation passes. MIML survey indicated that 95% of communities had good relations with applicants, bill being pushed by one or two applicants.

MIML has met w/ Metamora and Michigan Aggregates Association (MAA) to try and negotiate compromises/changes to proposed legislation and MAA was unreceptive.

Hal – Should more efforts be made to identify mineral resources ahead of zoning, to be incorporated in zoning planning and decisions?

Jennifer – MIML has long advocated for this, asked for SB431 to be put on hold until such a study could be completed. No funding yet for such a study.

Kirk – discussions in MDNR w/ Michigan Geological Survey (MGS) on topic of study of mineral locations.

Drafting of Subcommittee Report

Writing assignments could be assigned; the final report is due October 26, 2021. It is assumed Adam won't be heavily involved owing to other duties.

Jerry – We could have each member take a topic of their expertise and draft that section(s). SWP is a good example.

Hal – Displaying the report outline, attempting to parse out sections. Suggests that each perspective be represented as opposed to each section having a single author.

Sean – Agrees with this concept, as well as focusing more specifically on areas of primary expertise. Adam (OGMD) work on Section 2, Review and evaluate Act 163 of 1911, Copper and Iron Mine Inspectors with significant input from Hal.

Kirk – review sections w/ his staff and see what MDNR can contribute for each one.

319.163 Duties of the committee.

Sec. 3.

The committee shall do all of the following:

- (a) Recommend actions to strengthen and develop a sustainable, more diversified mining and minerals industry in this state while protecting the environment and natural resources of this state.
 - (b) Evaluate government policies that affect the mining and minerals industry.
- (c) Recommend public policy strategies to enhance the growth of the mining and minerals industry, especially for research and development in mining and mineral processing technology, including pellet production, for the next generation of mining.
- (d) Advise on the development of partnerships between industries, institutions, environmental groups, funding groups, and state and federal resources and other entities

History: 2019, Act 47, Eff. Oct. 6, 2019

New Business

Hal – not aware of any, and none was proposed.

Future meeting dates

Next Meeting: January 20, 2021, at 1:00 p.m.

The next full committee meeting is January 12, 2021.

A meeting will be scheduled for February 18, 2021, at 1:00 p.m.

A meeting will be scheduled for March 18, 2021, at 1:00 p.m.

Public Comments

Floor opened for public comment:

Horst Schmidt – comment on SB431 and loss of local control, thinks it's a bad idea and that state should review in light of impact on communities

Adjournment

Proposed adjournment at 2:11 p.m. - accepted

Attachment to Agenda

Subcommittee Report Outline – DRAFT 1

This outline is derived from the "Regulatory Policy Subcommittee Topics". The topics have been consolidated and refined; some have been modified to align with the purposes and scope of the Committee. Two topics are recommended for reassignment to another subcommittee. The outline may be refined and revised based on input from interested parties.

Section 1 (Incorporates Topics 1, 2, 3, 6, 7, 8, part of 9, and 10). Review and evaluate current regulations and environmental requirements for mineral exploration and extraction. Describe concerns, identify options, and make recommendations as appropriate covering the following issues:

- a. Categories of regulation: nonspecific (air, water, soil erosion, etc.) and specific to mining and reclamation operations.
- b. Types of mining covered by regulations: ferrous metals, nonferrous metals, industrial minerals (which includes aggregates).
- c. Need for balanced, reasonable, and effective regulations.
- d. Cultural resources at proposed extraction sites.
- e. Mine idling, shutdown, and reclamation.
- f. Alternatives analysis, to include greenfield/brownfield options.
- g. Mining of tailings, waste rock, and mill wastes.
- h. Updating of administrative rules.
- i. Potential for administrative and legal challenges.
- j. Comparison to requirements in other states.

Note: these issues overlap significantly with topics of the Mining Methods, Environment, and Reclamation Subcommittee.

Section 2 (Incorporates Topics 4 and 5). Review and evaluate Act 163 of 1911, Copper and Iron Mine Inspectors. Describe concerns, identify options, and make recommendations as appropriate covering the following issues:

- a. Duties and compensation of county mine inspectors.
- b. Applicability of statute in today's environment.
- c. Applicability to beneficial reuses of old mine workings.

Topics recommended for reassignment:

Topic 9. Tax assessments on mineral reserves (inferred to be part of "Permitting the correct reserves" topic) – recommend reassignment to Social, Economic, and Labor Opportunities Subcommittee.

Topic 11. Sensitivities from regulators, elected officials, and community towards mining; the recommendation is to reassignment to Social, Economic, and Labor Opportunities Subcommittee.