

COMMITTEE ON MICHIGAN'S MINING FUTURE
April 6, 2021
DRAFT MEETING MINUTES

ROLL CALL

Commission Members and Affiliation

Richard Becker (Aggregates) – absent
Snehamoy Chatterjee (Research Faculty) – present
Timothy Eisele (Rep. Cambensy) – present
Harold Fitch (Sen. McBroom) – present
Sean Hammond (Environmental Nonprofits) – present
Matthew Johnson (Metallic Nonferrous) – present
Stephen Kesler (Research Faculty) – present
James Kochevar (Ferrous Mining) – present
Chad Korpi (Ferrous Mining Unions) – present
Jerome Maynard (Environmental Nonprofit) – present
Deborah Pellow (Municipality Affected by Mining) – absent
Evelyn Ravindran (Native Americans) – present
Austin Fisher (Aggregates) filling in for Richard Becker – present

State Agency Members

Liesl Eichler Clark (EGLE) – absent
Adam Wygant (EGLE) – present
Dan Eichinger (DNR) – absent
Sharon Schafer (DNR) – present
Amanda Bright-McClanahan (MEDC) – present
Mike Sweat (EGLE) – present
Susan Bishop (EGLE) – present
Melanie Humphrey (EGLE) – present

Others Present

Doug Needham
John Yellich
Dave Behrend
Shannon DeRocher (KBIC)
Horst Schmidt
Mary Raglin – Representative Cambensy's office
Ben Drenth
Rick Dunkin – Fishbeck
Anna Ediger
Mike Cornelius
Caroline _____
Dan Dziedzic
Dana _____
David Ladd

The meeting began at 9:05 a.m. with roll call.

We will go through the draft report. Mike will direct traffic and share his screen. Each subcommittee chair will go through their draft report. The introductory text I drafted. It talks about what the committee is, how it came to be, membership, how to schedule meetings, selection of chairpeople for each subcommittee, and the compiled list of challenges and opportunities each subcommittee made. This section gives the legislature sense of why this report was given to them. The executive summary needs to go right before the table of contents.

It would be useful for the first paragraph to provide the impact of mining to the state. Also, I think the list of subcommittees should be in the same order as the rest of the report. The economic impact of mining could be useful. We should include legacy issues and issues we're dealing with in the upper peninsula (UP). Most of the funds from mining in the UP did not go back into mining.

There is quite a bit of detail from the first meeting. It seemed more like minutes, so I took it out. They want the recommendations. Mike threw this section together, but this paragraph needs to get some momentum to the reader. We want to show the history of mining and where it should go in the future.

We need to organize the purpose. The history portion is important. We are trying to create a holistic approach. The executive summary is heavy hitting. We want the reader to dig deeper. We need a nod towards the purpose.

With the Mining Methods, Environment, and Reclamation subcommittee, we recognize this is a work in progress. Being aware of what's left behind after mining activities, in some cases, they may not be permanent. We may want to access afterwards. It is important for tribes to continue exercising treaty rights. Pretty heavy ferrous mining. Other outreach and working to incorporate nonferrous and aggregate. We recognize different types of mining have different times to plan for. We need to reclaim it as we go and leave it as much useful land behind.

The marketplace has been run through exhaustion. We will roll through the example of successful reclamation. Mineland Vision Partnership (formerly Laurencian Vision) gave a presentation. We had both care and vision of mineland reclamation. Several examples of successful stores of mineland use. The intent is to show what it can be. The final report will have less examples.

We talked about regulations that govern mining industries in the state. Specific examples in mining. Reclaiming ground and letting go back to the natural state.

Part 634 is native copper mine. How do you want to handle this? We should keep a placeholder. We need a definition of the reclamation in 634. The topic had come up. Important discussion to be had. Huge impact to the state. Aggregate mining took producers in aggregate mining. Aggregate includes crushed stone. We seen

presentations on aggregate mining. The question comes up whether it needs to be regulated. I am privy to 5, 10, 15, 30, and 100-year mining. The outline provides resources. Take a look at adjacent properties. Need to do a better job of telling the story of beneficial use for the community.

Does sand dune mining fall under this? It falls under nonferrous. Limestone is where you find it. The state is growing, and a lot of resources have not been identified. We need to identify so we're not taking it away from people. Minnesota has a plan. The statewide plan the county has implemented. Minnesota has moved further ahead by using geologic mapping. They use state permits. We need a significant amount of text for aggregates we need to add. The language focused on ferrous.

Relevant is waste rock. There is potential for future mining waste. Matt is working with Michigan Tech and the University of Michigan with research partnerships. He can help add that section. This warrants a discussion with additions. We might strive to make this section look like we are moving forward with reclamation not backward.

There is an underground pump hydro where we can capture that. Drivers of reclamation activity, investor expectation, and community opportunities are available. There is potential opportunities for reclamation. Previously mined deposits may become attractive. Solar and wind farms are popping up, and a lot of people don't want them in their backyard. It is important when considering future parts for minelands. The key area is wetland creation. There is opportunity for wetland creation.

Mining waste – reduce it through best management practices/sustainable mining practices. There are opportunities to create mine operators and entities that can use mine tailings or tailing sites. This topic is in the Regulatory Policy subcommittee. We can note it here, but it's taken up in a bigger way in Regulatory Policy. There is an influx to talk about it in the final report, and the cumulative impact. We need a definition and how to put it in textual form. We can put text around this and why it's important. The general discussion is about cumulative impact. Maybe it works into Hal's subcommittee. There are policy regulations that show how definitions are defined.

The cumulative impact could be a paragraph at the beginning as a concern. Not sure what you can do in a concrete way. It runs close to the definition in Part 632. For the regulatory standpoint, we look at metals. We have nonattainment areas. Generally, we have to look at the input, and it has no negligible impact. In mining context, the community had degraded air quality, and no new aggregates can open due to diesel. It flows nicely into the next section. The definition is good for climate change. Post mining activities can impact climate change and the financial assurance plan. Make sure there is one in place. We need to take a detailed look at this. The cumulative impact is more significant mining. How to correct small things so they don't turn into larger things. Where in here do we talk about geology and location? There is a lot of benefit to have aggregates close to communities.

The conclusion is existing stringent and effective state regulatory climate that serves as basis for reclamation for ferrous and nonferrous metal mining. I thought in the recommendation we will sustain this work and carry it forward. Emerging methods has been thought about. Sustainability is the key to see more mining. If there is to be more mining, we need to do more in a sustainable way. The climate change section needs work. The concept of climate change should be woven into the entire report instead of a separate section. It informs pieces of each committee's work. Climate changes will impact mining and mined materials. Rather than a red print section, we weave it into the entirety of the report. The economic impact is included in the conclusion.

The committee took a break from 10:20 to 10:30 a.m.

Hal gave a report from the Regulatory Policy subcommittee – I am open to any suggestions, edits, or recommendations. We broke it down into ferrous metals, nonferrous metals, industrial minerals, and fuel minerals. We talked about the overview of regulations: mining specific regulations, and different regulations. The Department of Natural Resources (DNR) has some authority. We identified worker safety regulations. We came up with 12 issues. We did a review of the current regulations and had a descriptive narrative. EPA had federal regulations. With Part 632 rules, the statute doesn't allow the Department of Environment, Great Lakes, and Energy (EGLE) to amend the rules. They are recommending the legislature allow an amendment to the rules. There is a better process to incorporate Indian concerns in topics. There is a potential for legal challenges. We need to lay out the process. We need to make sure states allow for subsequent use of waste repositories.

Governor Whitmer's Executive Order 2019-17 charged us with tribal engagement responsibilities. Regulation mineral test wells are regulated under Part 625. Blanket bonds versus individual bonds are an issue.

Hard rock Precambrian state has no bonding. A company has to give notice with two years. We need to consider having a policy regarding that. Mineral rights – people have a hard time figuring this out. I'm not sure if the summary should go at the end of in the larger report. Section two is not finalized. Act 163 of 1911, the language is antiquated and not specific. There are five issues with act 163. Senate Bill 119 was introduced on February 10, 2021; there are concerns that were sent to the legislature to address. We talked about reprocessing new minerals and permitted areas. Minnesota is the only state with minerals. The Frasier Report that canvasses industry and other interested parties. Michigan has done very on the Frasier Report. Arizona looks at aggregate operations. There is lots of contention over aggregates.

Are there current regs are set up in the state or provision for new technologies coming in the state? Part 632 is imminent. It could be new technologies or processes. It could entail amendments to the statute. We did not consider heat bleaching.

We should put a placeholder here. Some methods for brownfield aren't understood in mining and are not specifically regulated for mining statute. Regs should be addressed for reuse of waste repositories.

The DOE and other federal agencies are providing funding for reprocessing. Make sure we have something to cover the cost. We want to have readability of the report and reference to specific situations. We could give examples of what might be happening, some real-life examples that might help the reader. I am looking at the overall picture. Siting examples helps.

Do you have representation from the aggregate portion? No one specific on the subcommittee. I called in Michigan Aggregates Association. I had input and tried to capture every perspective.

With Research and Mineral mapping, our point is mining industry needs high quality geologic geophysical and geochemical data. We are recommending we need to pay more attention. Mineral deposits have to be found. We might need new technologies to deal with different settings. Without mining and mapping research, we wouldn't have mining. Mining technologies may become interesting now. Research needs to be done to find out what to do with materials. Geologic mapping needs to be expanded. We need to use LiDAR and aeromagnetic surveys to find materials.

A lot of critical minerals are in Michigan. Some are not produced at all. There is a fair amount of older maps that haven't been integrated into a database. If you have an interest you could look online for it. It started with Geowebface created by EGLE, but it needs more site-specific information. We want to diversity across the entire field. Michigan is the only important mining state. Cost share is available to work with agencies. It is still in Michigan. They should use labs to do a better job. When funding opportunities arise, we need cost share.

We want to reach out to industry. We really want to partnership with industry; it is tied to aero geophysics. We need to capture as much as we can. What incentive would industry need to share data? John offered value for geophysics surveys. They could apply for it as a tax deduction. We can come up with something. Companies that are making money will do it.

The subcommittee highlighted healthy baseline survey, but it has been a challenge. If state minerals are involved companies spend money. Larger companies will sit on investments. From the last meeting, we talked about the environmental impact on mining.

Matt Johnson gave a report from the Social, Economic, and Labor Opportunities subcommittee is focusing on educating the community for responsible mining. We will update the state website with materials for constitutes seeking about mining in Michigan. We will give a description of future mining and how the state is preparing for the future with long-term strategies and planning.

We will create a partnership between local and state economic regional development groups and industry to develop outreach materials. We will have an industry-led public awareness campaign with updates on public information pages.

In addition, we will have workforce development. Mining resources are the root and basic building blocks of technology and decarbonization our society requires for a sustainable future. This area needs more detail. Technology and IT will be huge for future mining. We need to influence education while still in school. Apprenticeships and externship programs and partnerships and collaboration with universities, communities, colleges, research institutions, and skill trades training are important.

We will review opportunities to improve unemployment benefits ensuring we have a safety net for employees. We may have experienced miners leave Michigan.

Michigan mining tax structure needs more detail and a new severance tax. Eagle Mine negotiated this. There were problems over the last one and a half years. We are looking at EGLE or Treasury for help. We need to have transparent communication.

We created an outline on how a company can engage in the tribal community an understanding treaty rights. The general principles of engagement with mining company should integrate in their way of doing business.

We had a presidential memo which discusses our tribe is looking at internal and looking at research partnerships. We hope to have more detailed sections in the report for tribal consultation. Things are being taken out of the report. Should treaty rights be at the beginning of the report? How much do we put at the beginning? The executive summary is important. It could be intertwined in the introduction. Treaty rights are part of land ownership and property rights. It might warrant a paragraph at the start.

We have different formats from each committee. We don't want it to be confusing to the reader. We should wait until the end and choose a format. We talked about photos and graphics, too. We need a professional to make this pretty. Reports to the legislature have a special format we use at EGLE. We have to stick with a consistent report from the sixth floor. We should dedicate drafting to the subcommittees.

Should we have public comment before the July meeting? Following the May meeting, we should have public comment period. If resources are available, it would be helpful. We could give the opportunity to cross reference sections. We can schedule a May meeting. The agenda will be to review the report and have public outreach/comment.

New or Old Business

None.

Public Comment

Horst Schmidt – I'm impressed with the work of the committee. You covered a lot of points. I have a few comments:

- Mineral leasing by the DNR – law is written so owner has no recourse. The DNR leasing is not transparent.
- Water is major issue – important for creatures to live in.
- Dam Safety Committee Report – tailings for dams aren't included. Need to look at whole tailings.
- Reclamation – good idea. When you are reclaiming, you are reducing the environment to a simple level.
- Aggregate mining – Political issue not right for large aggregate companies to take away rights of the people.
- Minnesota has regulations and pollution control. All are playing out with permit fights.
- Michigan has stringent mining regulations; other states have bad ones.
- Responsible mining – look at IRMA as to what they have.

Dave Behrend – With tailing piles, minerals are deposited in a pile and will also be toxic and leech. Look at carbons and other elements. Testing wells – lots of testing wells were never enforced and caps never used. We have climate change to deal with in the future and the entire effect on people here. There is a multimillion-dollar income on the tourist industry. Cleveland Cliffs will repurpose tailings piles into solar panels. A bad team player comes in and says all the property has to be solar plans. Solar dams have failed over the years. Look at the whole picture and not just what we call precious metals.

The meeting adjourned at 12:18 p.m.