

AJ Mine Advisory Committee (AJMAC)

MINUTES

Thursday, February 10, 2011
5:00 PM
Assembly Chambers

Committee Members: Donna Pierce (Chair), Kurt Fredriksson (Vice Chair), Rorie Watt (Liaison), Sam Smith, Maria Gladziszewski, Laurie Ferguson Craig, Gregg Erickson, Frank Bergstrom

Presenters: Mayor Bruce Botelho, John Hartle, City Attorney, David Stone, Mine Historian

Pierce- Asked the Committee to be mindful of paper rustlings and asked the Committee to speak into the microphones. Welcome to the Committee and thank you very much for this community service that you are performing. It is an important issue. We appreciate your willingness to extend your time and expertise to the community. Before we get going we would like to take a minute to extend a welcome to the public and to see you all here. And to say something about public testimony and comment. The Committee's work is both abbreviated and somewhat preliminary so we have under our charge a minimum of four meetings. Tonight we will talk about how many meetings we are likely to have and we will try to set a meeting schedule. The immediate challenge and much of the Committee's work will be gathering, sifting and analyzing information, and I suspect it is going to be down the road a bit before we will begin to pull together recommendations. I hope people will be interested in commenting as we go along.

Tonight's meeting is informational and somewhat house keeping for the Committee and so we will have the public testimony like the Assembly does for non agenda items. We will have 20 minutes at the end of the meeting for people to comment. I encourage you all to look at the website that has been set up, we will talk about that a little later Juneau.org right on the homepage you will see it. You can submit written comments there and we will print out the comments and any letters we receive and will provide them to the Committee in the next packet. Please use that opportunity and also remember that they are public, when you comment. We will hold a meeting for full public comment when we have something to put before you to comment on, as we get toward the end of the process.

I do anticipate the Committee will hold work sessions, so they will be noticed as work sessions. We won't be having public testimony at those, but I encourage you to come and listen and learn along with us. We will take a brief break just before we take public testimony. We will put the sign up sheet out then and you will have an opportunity to sign up for tonight. Thank you for being part of this process, participating.

I would also like to take a minute to briefly introduce the Committee. I will start with the Vice Chair Kurt Fredriksson who is former DEC Commissioner, currently head of the Juneau Economic Development Council, Sam Smith a mining engineer, knowledgeable of this project in the past, Maria Gladziszewski Planning Commission Chair, Laurie Ferguson Craig who is a naturalist artist and has been a citizen activist on mining

issues for at least 20 years, Gregg Erickson a well know local economist. I think you did some work last time around as well, Frank Bergstrom who is not here yet, hopefully he will be arriving. He is a mining geologist and also knowledgeable he worked on the project last time. Committee Staff is Rorie Watt CBJ Engineering Director and our secretary is Tina Brown who will be taking minutes, who will be recording meetings and transcribing minutes. All of this will be available also on the website. The Mayor is here tonight and he is going to give us some introductory remarks about our charge and I turn it over to you.

Mayor's Comments to the Committee:

Botelho – Thank you Donna. Let me also say my thanks. I had to twist some arms among the folks that are on this panel to serve. I am sure they are wondering as to whether they made a mistake or not. It is understandable given the nature and the history of the controversy we had over the AJ Mine in the past.

I thought I would take a few minutes just to review the genesis of the Committee and how we got here tonight. I think it's hard to say over the course of probably the last year, various Assembly members had conversations with members of the mining committee and I think triggered by a combination of things that have been happening at Kensington, price of gold, but in particular the sharing of knowledge about and effort occurred late in Echo Bay's efforts. Echo Bay actively worked on the mine between 1985 and 97 on a very large mine proposal. The intent here is to look at some dramatically different that ways to develop the mine. That would be a much smaller operation in terms of tonnage and would have a different way of dealing with disposal.

Each year the Assembly goes through a process of identifying its priorities and its goals for the year, and that process began late October but primarily took place in November and December. It's a fairly straight forward but iterative process. Each member of the Assembly was asked to put together 10 things they would like to see happen during the course of 2011. The lists among nine members included something in the nature of 48 discrete topics that were brought up. At that point each of the Assembly members was asked to pick the top five on their list and we did a consolidated list. As it turned out, just in the scoring there were about 24 items. We devoted the meeting to talking through each of those items. One of the items was the question of whether and it was phrased a couple of different ways, but should we work toward reopening the AJ Mine. The language got changed, but in the course of discussion we narrowed the 24 to our top ten and the AJ, in particular the question to review the potential development of the AJ Mine was one of those top ten and I can tell you that the top ten, were separated by many votes from those that followed.

The language as I indicated in the goal is review the potential of development of the AJ Mine. In stating that I think it's really important not to read more into it or less into it than the language itself suggests. There are members of the Assembly just as there are the public that are apprehensive about the topic. And this is not an expression that we're signaling that we should charge ahead with any AJ projects large or small. Our goal here in stating our top ten was that these are things we intend to achieve during the course of 2011.

In the background many Assembly members have been contacted by citizens. If I were to boil down the questions, some much more polite than others, we have been asked - given the gut wrenching nature of the debates that took place particularly in the 1990's, why would we subject the community to this issue again? This is a very good question and I think it is also one that each Assembly member will have a personal answer to. Some might agree with you.

I am going to tell you my view about why I think this is an important venture and it starts on two things. I don't think there is any credible scenario that is going to stop a precipitous decline in the oil and gas production in the State of Alaska in the next 5 to 10 years. Probably we could defer to Greg on this, but I don't think we are going to see anything that is going to stem the decline. The impact of the lost State revenues to Juneau is greater than it is to any other community in the State. That is for a couple of reasons, like every other community we benefit from revenue sharing, we benefit from the appropriations that we get from capital projects. It is the

primary source of funding our schools. It is the primary source for dealing with what every municipality is faced with and that is the deficit in terms of public employee retirement system and future retirement system.

The double whammy for Juneau is that when State government revenues decline because we are the State Capital, we do rely heavily on State government employment and when belt tightening takes place, Juneau will feel it. That leaves me to explore credible opportunities and alternatives to shore up Juneau's economy. The creation of jobs and wealth that will help us obtain the infrastructure we enjoy and the amenities we enjoy as community. The second element of course in all of this is the AJ Mine is a major asset to the City and Borough of Juneau. It's not just a private development. We own more than 60 percent of this asset and in my view we as a City have a fiscal duty to the community to explore the viability of realizing this asset.

I would perhaps myself have more reservations about going through this exercise, if I didn't believe that developing the AJ was not in the realm of possibility, was simply a matter of wishful thinking. But I can share with you that in mid January I met with two representatives of a mining venture company who have been aware of our goal setting exercise and they asked to discuss partnering with the City and Borough of Juneau. I asked permission of one of the two persons, Greg Sparks, who is the former manager of Echo Bay who had been part of that meeting if I could share with you and with the public what he told us. When I say us the City Attorney and the City Manager at that January meeting, and I am going to read verbatim what I am going to say.

"By all means feel free to mention my views and thoughts regarding the potential for a radically redesigned AJ with minimal surface manifestations given technological advances since the Echo Bay effort years ago. As everyone knows tailings disposal associated process wastewater handling has always been the central issue. Advances in dry sorting to pre-concentrate the ore without generating processed waste water and advances in so called paste backfill permitting tailings to be safely disposed of underground hold the potential to include the need for any surface disposal tailings. Also a multitude of mechanical and electrical advances in process equipment make location of the entire process plant underground a very real possibility, thus further reducing the size and scope of the surface facility, along with reductions of potential from noise and dust and minimizing visual impact."

I believe that there are others who would be interested in our mine, that would be interested in looking at projects of a small magnitude, in our discussions we were talking in volumes of about 3,500 tons per day. As many of you would recall I think the initial proposal for Echo Bay was 22,500 tons per day and ultimately permitted by the City 15,000 tons.

In any event this really brings me to my expectations for you as a Committee. You are a diverse group. You each bring professional and personal life experiences to this project. You certainly have among you different views about mining and mining on this site. And some of you were intensely involved in the 90's project either as employees or champions of the project or as advocates in opposition to the project. My sense is that the Echo Bay experience informs us, but I think the thing we have got to avoid is using it as an excuse to take out the cudgel from where we left off in 1997 and toward that end I would urge the Committee to take off the table the consideration of any project the magnitude of the previous project that Echo Bay had in mind and to the extent reasonable to focus on one along the lines outlined by Mr. Sparks who by the way has indicated his willingness to present if and when this Committee would be interested. I am certain there are others who might be as well. This may be a problem solving exercise, but the question that I have framed for the Committee could prove to be inadequate or need to be modified and I am certainly open to that. Most importantly we are looking for you as citizens to provide us some preliminary guidance and I want to thank you for your willingness to serve your community in this way.

Pierce – Do any Committee members have questions for the Mayor? If you could take a look at the agenda, I'd like to wind up this meeting by 7:30 p.m. or possibly even sooner. There is one item we are not going to take up tonight that is on the agenda and that is the City Attorney was going to present some information on the large

mine ordinance but given the other things on the agenda I think time is a bit short tonight. He has agreed to do that at a later meeting. So that is not on the agenda, otherwise it is pretty much as you see it here. For the next meeting I would like to talk about how we map out this task. Just get some general direction about how often we meet and what we might need for the next meeting.

I am not going to read the memo to you, just a couple of points that we can assume you have already read it. There are a couple of points that I just want to make. This is a working Committee. There is going to be a lot of discussion, when I say fairly formal it might even just come down to just raise your hand and I will call on you, so we don't get too much back and forth going. In a minute I am going to ask the City Attorney to speak for a couple of minutes on open meetings, public records and conflict of interest, which are referenced here in the pamphlet. Because these are such important principles and rules that we all must abide by and I just wanted to start out with all of us being on the same page. That is all I will say about the memo. Mr. Hartle can you take a few minutes right now to discuss those three items?

Hartle – I am your City Attorney and as the Chair said this Committee is subject to the Open Meetings Act. Its documents are going to be subject to the Public Records Act and the members of the Committee are going to be subject to CBJ conflict of interest code. So I will spend two minutes on each of those and please interrupt with questions (if you have one). Then at the end I will give you my phone number if you have questions you need to discuss with me individually. The Open Meetings Act covers this Committee, and that means all meetings are going to be public. There might be a case that they go into executive session. The rules under the Open Meetings Act: all of the meetings need to be properly noticed, there needs to be proper minutes and I think they are all going to be recorded as well. That same set of rules applies to any subcommittee of this group that the Chair might appoint. And so one small matter on that, the one danger area nowadays of the open meetings act is to have meetings kind of by e-mail. My very strong suggestion is if you get an e-mail from the Chair or even from another member do not use the “reply all” button to send out your response then you can get a general discussion going in no time at all and this (replying just to the Chair) is going to be avoiding the Open Meetings Act. I have used the hub and spokes analogy, where the hub being the Chair can send out information and members of the Committee can send back information to the chair (hub) but not to go along the edge to reply all and get everybody involved in the discussion. It won't be available to the public or won't be recorded and there will not be minutes. Are there any questions?

Erickson – I assume that I could send an e-mail to Donna and say please send this to the other Committee members.

Hartle-I think you get my point this would be to avoid general discussion of the substance of this. You could have general discussion of the time and place of the next meeting but any things as to the merits of the charge to this Committee. Again call me if you have any specific questions. Again this applies to any subcommittees of this Committee.

Also this leads right into the Public Records Act, essentially any document produced by this Committee or given to the Committee with some very few exceptions are going to be public records. And that will include e-mails as well and don't be surprised if you get a request for e-mails, so keep this in mind.

Then finally, there should be a copy in the packet - it's outlined in the Committee pamphlet, but you are all now subject to the Conflict of Interest code. I will make sure in your next packet that you get the whole thing. The point of that with respect to any matter of which you have a financial interest or personnel interest you may not deliberate or vote on that matter. You may need to step down if such matters come up. That is a place that I really want you to call me in advance if you think something is coming up that might trigger that. Because I really don't like to have to research and figure out conflict of interest in a meeting on the record. I would much rather do it on the phone in advance where I can actually be confident the way I am supposed to do. Here is my

phone number 586-5340 direct work number and if it is urgent like ten minutes before the meeting my cell phone is 321-2889. I much prefer the time to answer questions.

Smith - Are you planning on attending future meetings or is your attendance on an on call basis?

Hartle – On an on call basis as a presenter. I was scheduled one today on the content of the large mine ordinance, but I think time is short, it looks like you have a lot going on, so I will do that at a future time and if there are questions from this Committee’s members I will be happy to try to answer them.

Pierce – Rorie would you like to say something about the website?

Watt – On the main City webpage Juneau.org there’s a hot link to the Advisory Committee’s website and on that website we will post Committee agendas, and we will try to get those out a good three days or so before the meeting, there will be links to all those documents in those agendas. There will also be links to a variety of historical and informational documents and as we dig into the archives in the information we’ll post more and more information there. If there is a document that someone feels should be on there just let me know and we’ll try and post all appropriate documents. Some of them are large and not easy to scan so we may just point out when we have large documents. There are many three ring binders three inches or more thick full of information. It will all be there on the web and our intent is to have as much information available as possible. Also on the Committee webpage there is a link for public comments. If a person makes public comments they will be provided to the Committee at the next scheduled meeting. Those public comments will be public information. I encourage people to go to that website and avail themselves of the information that we have.

Erickson – As I was reading the introductory memo, I thought that was very good, that is the kind of guidance we need. In terms of information, of the gathering of information, I assume this memo is on the webpage, there is information that the Committee will bring perhaps, I brought a piece of information here that I may want to share with the Committee, but under the rules that you let out, that would be given to Rorie and then Rorie can then incorporate it in the future meeting packet. The other thing that happened this evening, we had unsolicited information brought, handed out to the Committee and I think it would be real good whether it be solicited or unsolicited information, that it go to Rorie and maybe he can organize it as such, so that we can distinguish. Because I am not sure how much information we are going to get here, but Rorie is our gate keeper so to speak on the information front.

Pierce – I agree that should be how it is handled, to keep an orderly organized process.

Erickson – I hope nobody thinks that because of that rule that they can’t come and talk to me or give me information as somebody they know or want to talk to. They don’t have to go through you or Rorie to provide me with information and if I think it’s important I will pass it on to you and Rorie.

Pierce – We were talking more on how the information will flow to the Committee and how it then becomes a public record and is handled.

Erickson – I just wanted to clarify so people wouldn’t think they were limited.

Fredriksson – We will all have people providing us with information. Then it’s really our action on whether we pass that on to Rorie for sharing with the whole Committee. I thought it was important to have somebody who is responsible for taking information and making sure we all have it.

Gladziszewski – And on the website you will organize it in some manner things we received tonight.

Watt – We’ll provide it in your next packet.

Watt – Briefly I just want to talk about these two display boards this is basically the geography of the mine just to help people understand the mine, and surrounding areas. Some are very familiar with the geography of the mine and some are not. I just want to briefly go into it so we understand on the same level. AJ is an extensive series of underground tunnels and briefly this is a topographic map of Downtown Juneau and rock dump orientation, Gold Creek on the left, the main level of the AJ, which is referred to as four level shown here in red. The mine consists of about 70 miles of mining tunnels. Its location is basically under the ridge behind us a couple of miles back from downtown.

Many people have done the portal to portal tour in the days when Echo Bay was here and the Historical Society ran tours through. It went from Sheep Creek through the mountain then out Ebner Adit at Gold Creek. That is probably about a five mile distance.

It's an extensive area and this drawing is on the website as is this drawing here (Plan and Profile of the Mine). The profile, this is a section that is cut through the mountain, it follows four level and shows a sectional view of the workings of the mine. There are many different horizontal levels of the mine. People will remember the terms the North Ore Body and the Deep North was obviously a lot in the news. South Ore Body as well. The mine vertically goes from as much as a thousand feet below sea level on up to the tops of surface features two thousand feet above sea level.

There are many different levels within the mine. It's a vast geographical area. Within the mine additionally are big voids or stopes which areas that have had rock removed in the early days of the AJ. When the AJ was running in the early part of the 20th century, there was a mill, the ruins of which are still visible above South Franklin Street, just north of the rock dump. The mill is actually geographically far from the workings of the mine. The ore was mined then brought out on four level through a railway system then along the side of Gold Creek and then through a tunnel to the mill and the rock was processed, waste rock formed the rock dump. Much of downtown was filled with rock from the mine. The original shore line was something like Front Street and Willoughby. Large amounts of rock created much of downtown. So both of these drawings are on the web, I encourage you to look at them and understand the geography.

Gładziszewski - Where is the tunnel level four to the mill, is it somewhere on this map?

Watt - There is not a tunnel from 4 level to the mill that is connected to 4 level. 4 level daylights at the mining museum and there was an exterior railway that went along side of the mountain along Gold Creek through a pair of short smaller tunnels and then through a third tunnel through Mt Roberts to the mill. That tunnel through Mt Roberts is now used as a reservoir for the City water system. It is no longer accessible.

Pierce – Next on the agenda is presentation done by David Stone who is an Assembly member but he is here tonight as an historian to talk about the history of the mine. I think you have a power point. Thank you for being here.

Stone – I am not here as an Assembly member. I am not here representing any company. I am here as person who has been familiar with the AJ Mine's history and other mines around Juneau and Chair Pierce and the Mayor asked me to give you sort of like the AJ 101. It's kind of more than AJ 101. (Stone – Gives ½ hour presentation including powerpoint slides of the history of the AJ.)

Erickson – The mill site is owned by who now?

Stone – It is owned by AJT Mining Company which is a sister company to the Light Company.

Erickson – And it's not a part of the unit?

Stone – It's not a part of the unit.

Ferguson Craig – This has been very helpful history, I know we have heard it many times, but each time we have a different perspective. I would say the City made a very very wise investment in 1972 by purchasing the watershed. I think that is the most valuable asset the City owns in the entire debate and discussion and that is my number one concern.

Pierce – Why don't we take a brief break and convene by 6:25 p.m. and then the remaining stuff will be to talk about, I have set aside some time for each Committee member to make their introductory comments that you might wish to make, I have suggested the approach in the memo, you might give that a review if you haven't read it recently. Basically what I am suggesting is we approach the issue by examining the technology aspect first. Try to see what technological innovations are available at this point in time that might have a bearing on what a reconfigured mine might look like. It seems to me like a logical starting place, that is open to Committee discussion. As well as how we proceed from here. Rorie and I talked about drafting out a study plan or a task map that we will try to work on between this meeting and the next meeting, so that we can just try to get our arms around how we get from here to the end and so we would like to get a general sense from the Committee tonight about your thoughts so that we can incorporate that thinking into that and bring a draft of that to the next meeting. With that, let's take a brief break and then we will reconvene and finish up.

BREAK

Pierce – We are back to order. I would like to go around the table and start with the Vice Chair Kurt and just invite the Committee, you may not have something you want to say at this point that's fine, but just any initial comments that you have before we get into where we go next.

Fredriksson – Chair, I don't have too much yet, I thought you did a really good job laying out the expectations you have as a Chair. I appreciate the Mayor bringing this group together and we don't have much time, I guess that's the only thing I have to share with the Committee. I think when you only have three months the need kind of focuses down and kind of works within the sideboards that we can all kind of maybe discuss here, but I am really interested in digging into the possibilities of not only what the AJ Mine could be, what we might imagine what the AJ in terms of a smaller mine with zero tailings discharge or surface discharge, but I am also interested in Rorie as we get into looking at the mine, there are some existing regulatory requirements. Particularly from EPA in terms of wastewater discharge and discharges from the mine. I am interested to know if, in fact nothing is done with the mine. Is there some hidden liability there? Is there something within the mine that might cause the City to have to address, some kind of not so benign discharge in the future. Like I said that is what I throw on the table at this point.

Smith – I just wanted to thank the Mayor for inviting me to participate in this. I wasn't a particularly willing person, but I think it's going to be very interesting. I will certainly do my best to provide useful information that the Committee might like to hear about. I guess the only thing I would like to say, I think the possibilities of this is really quite significant to the City and to the Community and to the people in the Community and I think it deserves an open mind by people both in the audience as well as in the Committee itself in looking at these things not just make a knee jerk reaction to the issues. I hope that everyone will look at it in that light because I think there are some good potentials. There are a lot of things that will benefit the City and the Community in general if this were to be found feasible, economically and so on. So anyway, that's really what I have to say. I was thinking about your (Fredriksson's) questions on the mine. I don't know if you said liability or not but I don't think that, I should say there are things that are happening underground because there is a lot of underground workings there is a lot of old timber and some of that is turning to be in relatively bad shape and so the drainage tunnel that was very nicely engineered back in the early 1900's needs some work, there are some

rock fall areas, potential plugging and some things that could create some problems. I don't think it would be the kind of problem that would create a kind of a hazard or that sort of thing, but I think the potential for it coming out the Ebner instead of out the drain tunnel certainly exists. Which I don't think anybody here would particularly like, but those are some of the things that could probably be made more permanent if this were to go ahead for example. But anyway I think that is for future discussion.

Gladyszewski – I just would say that I appreciate the Mayor answering the question about why this now. There are a lot of people that this does bring up strong opinions right away, even before we say word one, and I appreciate that it is an asset to the City and that its worth looking at and I am interested in looking forward and not going over exactly what happened 20 years ago but especially since we have such a short amount of time, we need to consider what has changed between then and now, technology wise I think is a good place to focus on, something different than it was 20 years ago. I am looking forward to learning about that.

Ferguson Craig – I have spent a lot of time in the last couple of weeks thinking about the history of this, as so many of us have and as I go through the records I realize there are some people who where very much a part of this who are not with us anymore, and I just wanted to mention these few people. Ron Lorensen who was a hearing officer for the City, these are all people who have passed away, but were very much a part of the work that was done here. Rosalie Walker who worked very hard as an Assembly person and Planning Commissioner; Chris Haus who was a miner inside of the mine was killed in July of 1994; Paul Hilbelink, who was with Kvaerner Environmental, he passed away a few years ago; Al Kegler of DEC, and so did Anthony Williams who was a consument miner and a very fine gentlemen. All of these folks, and I am sure there are more, they gave their lives to this when they where living and are people we continue to think about today. But I would also like to say very much thank you to all of you who have come tonight and are showing your interest. This was a very important issue. I don't want to go over history, but I don't want to forget it, because we learned an awful lot during the course of what happened over these years. Number one David was not surprised that I said is the vulnerability of our water supply. The importance of it and because it does flow through the mine, that should be our number one asset and it really is valuable, so that will be something I will be keeping a close eye on. Thank you.

Erickson – I don't have much to say. I was not one of those people that Bruce had to twist arms to get to take this. I have been interested in this. Forty years ago I wrote a book called Mining and Public Policy in Alaska, and I have been interested in the intersection of mining, public policy, Alaska history and Alaska economics for years and years, so I am excited about learning about all these new developments and getting the job done.

Bergstrom – Twenty years huh? I find that hard to believe, I think that may be a hoax. I was here, it could not possibly be that long ago (laughter). But it all seems so fresh, so ready to move along here. I think your technical approach initially is the excellent one, that's the place where we should start. Please carry on.

Pierce – Moving to where we do sort of go from here and first of all I caused a little confusion in this. In my memo, I was thinking we might have six meeting, and the seventh we'd take public comment and Frank reminded me some of my public comments implied a much longer meeting schedule that he was thinking of. So my suggestion that we start out with just an every other week, we don't have to determine right now if we are going to have four meetings or six meetings or what. It is very hard, we don't have our hands around the task enough to make that call but if we would have time for six and possibly seven meetings if we do it every other week. Then that gives Rorie time to do a packet; otherwise it would be hard to meet every week. So that is one suggestion.

I will just lay out some things here and put them up to the committee discussion. We are offering to try to do a task map or a study plan after we get a general sense of direction from the Committee. I would suggest that our next meeting be a work session and that one thing that Rorie has mentioned and taking off what Laurie just said is that a presentation of the City's water supply would be a really excellent place to start. I talked in the memo

about starting off with each Committee members bringing to the table their parameters or sideboards they would put on there, water quality is one, employment, duration of operations might be one, but I would suggest that to move things along, you all think about it. I bet everybody could just come up with a list just off the top of your head and send those to Rorie or to Rorie and me. We will incorporate that into the draft study plan that we will be bring back at the next meeting.

Gladziszewski – What do you mean by sideboard, there's laws?

Pierce – Conditions, what are the conditions that would need to be met in your mind for this to be a successful mine? Either economically, environmentally, community impact, what sorts of things? I sort of put out some examples and we haven't thought of all of the ones that are out there. Tailings inside the mine, or not visible tailings or you know if the operation turns out to be 5 years, or does it go on for decades, you know that is something that is certainly going to matter to people. What's the royalty, how much employment? I am just pulling things out.

Gladziszewski – Sideboards sound like lines in the sand that I won't cross. Which I don't know the answer to or it depends on what I get for it, right.

Pierce – Maybe that's not a good term.

Fredriksson – I will just throw some out, the reference I think by the Mayor was, let's not go back to the earlier proposals. I am familiar with Federal and State water quality permitting. I think it is unimaginable that we would debate, on whether or not to allow tailings in Sheep Creek or submarine tailings disposal. To me that is just a show stopper from the beginning. I think that is where you draw the line and you take it off the table and if it is not feasible to develop a small scale mine without venturing into that kind of issue then it is hard to imagine development of the AJ. We should go back to our mission statement where we determine under what circumstances, if any, might the Assembly consider. Because we are not going to decide, we need to provide ultimately to the Assembly with those kinds of conditions, I think the circumstances under which, if any, the AJ is worth pursuing.

Pierce – Further just to say, at least I don't imagine we get a list from everybody and we vote them up or down, or something. These are a list of things, concerns or desires of various kinds, that Committee members bring to the table that we will continue to work with as we try to define a concept or maybe a couple of concepts that look viable or that might be viable, or that have, you know, this aspect that is really good, but there are some trade offs here, and if the Assembly wanted to consider this then we would have to look further and explore further as to where this type of thing can work. We are not going to have the time to get into a great amount of details. Does that make more sense Maria?

Gladziszewski – Sure.

Fredriksson – If I hear you right, you're entertaining a concept of possibly coming up with a plan to answer any and all questions that might be raised by the Committee that we can recommend to the Assembly on how to get a definitive answer.

Pierce – I think I understand what you said.

Fredriksson – The answer to the question is that we can lay out a lot of stuff but around the table in a few meetings we are not going to be able to say, this is the optimal project. There might be mechanisms that we can propose to the Assembly to obtain that.

Pierce – I don't know what we can get to. I don't know how much common ground might be out there that we can build on. Certainly the Assembly would like to know and the community would like to know, what common ground might be found. We will have a collective report; we would want to leave room in that report if there were comments that individual members would want to add. At this point in time I am not exactly sure how far we can get, but I don't imagine that we will be able to define something that really could address all contingencies. But we might be able to point the Assembly in some general directions.

Erickson – I am looking forward to learning about this new process that the Mayor talked about and why they think it makes sense. I think I would first like to rely on the technical mining people like Sam and Frank to sort of help us get some briefly from not only the people that might know the most about this or who are proposing it, but also other experts in the field or if you folks yourselves know something about it. At the present time I would be with Kurt, I don't see how you can possibly go forward with this if you are going to dump it into channel or any where in saltwater and I am maybe not all the way with Laurie, but 99 percent of the way, that any real serious risk to the water supply, is going to be pretty much a show stopper, I would think. So I am hopeful that we can focus early on in getting information rather than setting the sidebars.

Gladziszewski – Well I guess I would say that too, I just need more information to be able to come up with something, obviously there are, I mean harming the water??? But I just don't know about the technology or what mining entails, I just don't and I could use some education.

Ferguson Craig – We are tasking Rorie with a pretty steep list of things to do, because this is very technical and I am sure things have changed an awful lot in the last few years. I would be very fascinated to find out what underground milling is like. Because whether you can put it inside the mine or inside the mountain or not, but who will you call upon to provide you with information?

Pierce – I will let Rorie answer that, but we are thinking to have for the next meeting a panel and Rorie has got some ideas about who might be good to bring before the Committee to just talk about the changes in mining technology and answer the Committee's questions. It would be a great place to start.

Watt – I have thought about this a bit and I have made some contact with people that could be good presenters, primarily relying on local expertise. The water system is something I can speak to, explaining how the City water system works in context to the geography to the mine and context to the Echo Bay proposals. Sam certainly has a lot of information on that; he certainly understands that well, but I think the public also needs to understand that. So I think that presentation needs to be geared towards the lay person, the public. I talked to Mr. Satre, one of the Planning Commissioners and a Green's Creek Miner, about giving information on paste tailings. I think that would be something that would be of interest to the Committee, and he expressed a willingness to make himself available. Another topic that I think could be interesting to the Committee is power generation and AEL&P. What would happen if a mine of whatever size came online and would the power company be interested in pursuing further phases of their Lake Dorothy project or would that not be feasible, those types of things. I talked to Scott Willis at the power company and he said he would be happy to come and talk about that, so I think that is another aspect that could be interesting to the Committee. Mr. Hartle obviously on the large mine ordinance, I think we need to reserve some time for him and then I think we have a number of local people who can speak to the permitting issue. That is my short list so far.

Gladziszewski – Dry sorting and paste backfill would be something that I would want to know about.

Erickson - Does the large mine ordinance specify in any way the terms that the royalty or profit share that the City would necessarily require or does that leave it open to negotiations?

Pierce – That is a good question.

Watt – The two documents that you have in here that get to that topic are the Unitization Agreement and the AJ Lease that was negotiated with Barrick and later transferred to Echo Bay. If the mine went forward all of the terms of the lease would be on the table.

Gladyszewski – The large mine ordinance is more about permitting than about the lease.

Ferguson Craig – I would like to get back to some of these technical experts. What kind of a budget does the City have to bring up people from outside that really know some of these things and there certainly are a lot more that there had been twenty years ago when we worked on this.

Pierce – In the Charge I think it says the City is willing to pay travel expenses but not necessarily consulting fees, so and you all my know of people that you think would be helpful; I suggest you just submit names to Rorie and we'll try to look into their availability and try to find appropriate involvement for them.

Fredriksson – One man I don't want to lose sight of is this Greg Sparks that the Mayor mentioned. I wouldn't think that we would be ready for him at the first panel. I think that first we need to kind of get a fair amount of information. Apparently this is an individual who is kind of thinking that he is associated with a company or investors that think they can actually make a go of this. I think there's a point at which maybe down the road he could provide information to the Committee, but we don't want to lose that name.

Pierce – He may not be the only one, so we just need to be cautious of that.

Bergstrom – Can I just add something to what Kurt said? I think Kurt brought up an interesting point that there is already expressed interest on the part of Junior Mining Company to look at the AJ and that is a big big issue, as far as potential feasibility of this property.

Man – What is a Junior Mining Company?

Frank Berg – A Junior Mining Company is one that adds value to a property. First somebody makes a discovery, finds a property has sparkle in it. A Junior might pick that property up and do some drilling or exploration work, channel sampling, sediment sampling to add some indication of ounces of what the value of that ore body might be with the interests of bringing in larger dollars from a major company that can actually develop it and operate it. That is a standard mechanism of the mining business, there are prospectors, juniors and majors.

Pierce – We will work on this. We will send out a draft agenda. With some people we know that are available, and the Committee can send comments back to Rorie about comments on the agenda. I don't think we are going to sort out who might be coming tonight. I think we understand what the Committee is interested in and we will try to get something logical out, put together to start building our information base.

Fredriksson – One other question I had. I have lived in Juneau a long time and I have observed the AJ Mine controversy of the past. I was not directly involved in that controversy, so I come with some fresh eyes. But I do recall that size of the tailings and the access seemed to be big issues. People were concerned with how the mine would be accessed and the impact on downtown and the community. And I don't know who would address that local access issue but it is one that if there is any expertise or at least somebody that can come and explain to us, kind of the dimensions of that access issue. It sure would be helpful for me.

Pierce – OK.

A discussion ensued about scheduling future meetings.

Ferguson Craig - This seems like a high order with six meetings to essentially design the mine we could live with. Is that what we are thinking is that by the end of this time we will have learned enough to do that?

Fredriksson – Let me at least throw in my view. One of the things that I have been thinking about is, is there enough room in the mine. We talk about zero external tailings, but is there enough room in the mine. That's a very complicated question I am sure we could get an engineer to get a gross volume, but how a company might eventually develop a mine. That would shift, I surely don't think that we have enough time or expertise to get into designing a mine. I am thinking at best we are only be able to provide the Assembly with those circumstances which, I think they outlined it, what are the rough dimensions of this and what was conveyed in the Mayor's memo. What are the next steps that the Assembly would need pick up? Because I would see that before the Assembly would ever make a decision on this, they would have to get into a lot of detail that we don't have the time or real direction, I think to get into. So they might need to get some real good engineering work and feasibility work to take it another step, before they would ever make a final decision. So that is all, I sure don't think in the next three months we can do anything but just kind of get an overall picture and then advise the Assembly, well if, these would be the things you would need to take that next step on. That's how I kind of view it.

Ferguson Craig – It seems like since we have such a valuable asset in the way of records which fortunately Sam and Frank have some sense of, one of the questions I think we should ask is, what are the circumstances under which we would release those records for somebody who is interested in the mine to analyze. That's a pretty valuable asset right there and Greg Sparks was around when those things were created. Does that give an unfair advantage to one mining company over someone else that might want to compete for that as well and I think we should probably look at that question.

Smith – I think in that regard the records will certainly be available to companies that do express a real interest and that those records that they would be looking at will be the records that would be the records that involve the AJ, they wouldn't involve the other records that David mentioned, which are the other exploration in other places and so on, I think that's totally different issue, so I think the records for someone to, and there are considerable records. I think those will be available to genuine people who are actually qualified to look at those types of records for that purpose.

Gladziszewski – Sam I lost you when you said what other exploration records are not relevant.

Smith – Well David mentioned that Echo Bay had done considerable exploration work throughout Alaska and throughout the Yukon and so on and apparently, I knew they had some of it, but I didn't realize that it was that large of holding. Those records would have no reason to be available

Pierce – Anything else? Ok we have six people signed up for public testimony, so that is about three minutes each. The first person is Clay Good, he left, Clare Fordyce, she left. Skip Gray - he's here. Tina will let you know when your time is about up, so you can wrap up your remarks.

Skip Gray – I am the last of several presidents of a group called Alaskan's for Juneau, which was the main watch dog group on the AJ Mine issue during the last attempt to open the AJ Mine. I feel that it is important to bring the history up of the last attempt to open the AJ mine. I feel that even visiting the proposal to reopen the AJ Mine would be detriment to Juneau's community and caution the City against awakening the sleeping giant. I would like to request that the public have more time to speak in the future.

Gladziszewski – Asked Mr. Gray, if it were up to him, how would he go about executing the task?

Gray – Said that he couldn't answer that question, would have to think about it.

Larri Spengler – President of the Thane Neighborhood Association. The last time AJ was being considered their neighborhood was the closest neighborhood to the proposed mine surface facility near Sheep Creek and the proposed tailings disposal in Sheep Creek valley. The Thane Neighborhood Association will follow this process closely and be willing to be involved each step along the way. She feels that there is a difference in this because it is the City that is looking in the possibility of opening up the AJ Mine which will take in the needs and concerns of this community. Her household came up with about 20 issues that they might want to address and she will send those to the Committee.

Pierce – Asked Larri to send the Committee the household list of concerns.

Anne Fuller – With only having one water source, she would like the City to be figuring out how to develop another water source. In the channel we have concerns with traffic, fisheries, which bring value to our town. Also, there are hiking trails, and scenery to consider. With the current price of gold the mining will come but the developers can afford to develop it with care.

Guy Archibald – Introduced himself as the mining and clean water coordinator for Southeast Alaska Conservation Council. Briefly explained his work history in mining and environmental science. He feels it was the behavior of the company that stopped the AJ Mine in the 1990's, has yet to see a mining company address the negative possible impacts that they can produce. The company's plan of operation will tell us whether this mine will work. He would ask the Committee to invite independent advisors to come up and give their advice. With the new technology, there are local mines that have the do have some most modern water treatment technologies available on site and they still have a difficult time meeting their discharge water perimeters. You can go to the EPA Echo site and look up all their compliance records.

Ferguson Craig – Asked Guy to recommend qualified independent experts.

Guy Archibald – The Mayor has contact information for Dave Chambers of Center for Science and Public Participation. He would highly recommend him.

Elaine Schroeder – Years ago in 1989 she was appointed to the Mayor's scoping committee to take a look at the proposal to reopen the AJ Mine. She is psycho-social therapist and is concerned with noise and the psychological impact with reopening the mine, with constant noise day and night with lights and the constant trucking that will take place. Noise carries across the water to Douglas. She is concerned with the quality of life in downtown Juneau.

Pierce – That concludes public testimony. We will reconvene on Thursday, February 24th at 5:30 p.m. in the City Chambers. If any of you feel comfortable with providing sideboards, in terms of the task mapping, that would be helpful. Thank you.

Note: the next meeting has since been changed to Wednesday, February 23 at 5:30 p.m.