

Douglas A. Ducey
Governor



Arizona State Land Department
1414 West Adams, Phoenix, AZ 85007
(602) 543-4633

Lisa A. Atkins
Commissioner

November 7, 2019

Mr. Neil Bosworth
District Supervisor
Tonto National Forest
PO Box 34468
Phoenix, AZ 85067-4468

RE: Resolution Copper Draft Environmental Impact Statement Comments

Dear Supervisor Bosworth,

As a cooperating agency, the Arizona State Land Department (ASLD) appreciates the opportunity to submit comments for the record on the Resolution Copper Draft Environmental Impact Statement (DEIS).

The ASLD manages a perpetual land Trust consisting of approximately 9.2 million acres located throughout the State, including subsurface mineral estate. Our comments reflect ASLD's responsibility to ensure that the land is best managed on behalf of the Trust's beneficiaries and therefore, ASLD must evaluate the potential risks and contributions for all projects on land and resources within the Trust.

ASLD recognizes and appreciates the mineral development, financial, technological, and career opportunities that Resolution Copper brings to the State, and ASLD supports the advancement of the project. However, ASLD does have concerns regarding the selected preferred alternative tailing facility site within the Skunk Camp/Dripping Springs Valley. The location is predominately State Trust land, and it is highly likely that this location will adversely impact the Trust.

This comment letter constitutes the official response of ASLD and has been organized into the following sections: 1) general comments (including the location of the preferred alternative tailing location at Skunk Camp), 2) DEIS comments from internal ASLD subject matter experts, and 3) concluding remarks.

GENERAL COMMENTS:

SKUNK CAMP TAILING FACILITY – PREFERRED ALTERNATIVE

ASLD acknowledges that the Skunk Camp tailing facility location has been identified as the preferred alternative in the DEIS prepared by the Tonto National Forest (TNF). ASLD prefers Silver King as the location for the tailings site, as it is located on federally managed land and requires significantly less water over the life-of-mine (LOM). In contrast, the Skunk Camp alternative location is comprised of over 65 percent State Trust land and requires much higher volumes of water to support the tailing slurry pipeline.

Comment ID: 562-1
Response: NS1
Comment ID: 562-2
Response: NS1

Comment ID: 562-3
Response: ALT30

SLURRY PIPELINE ON STATE TRUST LAND

In order to minimize the amount of water necessary to supply the Skunk Camp alternative location's slurry pipeline, the tailings should be dewatered to the maximum extent possible with the most current technology. The recovered slurry water should then be recycled (in addition to any contaminated groundwater pumped from beneath the tailing facility) and reused within the system.

Comment ID: 562-8
Response: WT23

Skunk Camp's proposed slurry pipeline would be constructed over eight miles of State Trust land in the Dripping Springs Mountains. In order to minimize the potential environmental risk, ASLD requests that all components of the pipeline be engineered and constructed pursuant to best management practices to reduce the possibility of a breach or spill occurring on State Trust land. These design methods may include using thick single-walled or double-walled pipe sections lined with high-density polyethylene, installing a comprehensive pipeline monitoring network, and peer-review of the construction and design.

Comment ID: 562-9
Response: MIT1

ASLD also requests that TNF provide written confirmation acknowledging approval of the pipeline corridor that crosses land under its jurisdiction. Receipt of this document is necessary for ASLD to begin issuing Rights-of-Way for the selected pipeline alignment.

Comment ID: 562-10
Response: NEPA42

CULTURAL RESOURCES OF SKUNK CAMP

The results of cultural resources inventories for all alternatives have not yet been fully reported or evaluated. The DEIS provides some preliminary numbers for the significant cultural resources that will be directly impacted based on the different alternatives. These are the cultural resources that have been recommended as eligible for listing on the Arizona and National Registers of Historic Places (A/NRHP) and those that need testing to determine their register eligibility. Final determinations of eligibility and effect have not been completed, but the preliminary numbers indicate that the Skunk Camp alternative will directly impact significantly more cultural resources than any of the other alternatives (Table 1; Figure 1). Skunk Camp with the North Pipeline alternative will impact 2.8 to 4.5 times more cultural resources than the other alternatives, while the South Pipeline alternative will impact 3.3 to 5.4 times more.

Comment ID: 562-11
Response: CRS

Table 1. Cultural resources directly impacted by the different alternatives

Tailing Storage Alternatives	Cultural Resources Directly Impacted
Skunk Camp (South Pipeline Alternative)	301
Skunk Camp (North Pipeline Alternative)	253
Peg Leg (West Pipeline Alternative)	75
Peg Leg (East Pipeline Alternative)	90
Silver King	60
Near West (both Alternatives 2 and 3)	56

Continued →

The greatest potential adverse impact to the Trust will be the water (usage of approximately 600,000 acre-feet (AF) over the LOM) that will be extracted from the aquifer beneath the Superstition Vistas Planning Area (SVPA). This level of water consumption is partially a result of the potential need to transport a projected 1.7 trillion tons of waste material to the Skunk Camp location. Based upon the anticipated groundwater requirements contained in the DEIS, the negative impact of the proposed water consumption sourced from the Superstition Vistas Planning Area (SVPA) far outweighs the estimated financial benefits to the Trust resulting from other aspects of the project by a factor of 20:1 (based on current growth projections for the Pinal County portion of the East Salt River Valley developed by the Maricopa Association of Governments).

Comment ID: 562-4
Response: WT4_G

ASLD is also concerned that a potential sale of the State Trust land directly at or near the Skunk Camp property would not adequately recognize the future value of the Skunk Camp property and fails to consider the inherent decrease in surrounding property values once the facility is established. As this area is immediately adjacent to the SVPA, it has future value as recreational, development, or open space property that supports the anticipated growth in the SVPA. By encumbering a large area with mine tailing storage, the surrounding State Trust land will be depreciated to the detriment of the Trust.

Comment ID: 562-5
Response: SO18

The Skunk Camp location would require a US Army Corps Jurisdictional Determination (JD) for the Dripping Springs Wash. If this watershed were determined to be a Jurisdictional Water(s) of the U.S., this decision could greatly compromise ASLD's ability to realize the highest value for those State Trust lands located downstream. As upstream determinations set precedence, this JD has the potential to expose these lands to additional Federal regulation that they would not have absent such a determination.

Comment ID: 562-6
Response: NEPA20

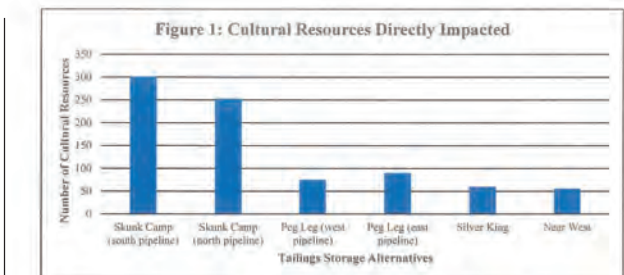
SUBJECT-SPECIFIC DEIS COMMENTS:
WATER IMPACTS

Resolution's proposed withdrawal of water for mining operations from wells to be drilled along the MARRCO (Magma Arizona Railroad Company) rail corridor is estimated to range from 180,000 AF to as much as 600,000 AF over the LOM. Resolution has stored and/or obtained Long-Term Storage Credits (LTSCs) for approximately 313,000 AF of Central Arizona Project (CAP) water, of which approximately 256,000 AF are located within the Phoenix Active Management Area (AMA). However, the location along the rail corridor where Resolution proposes to withdraw the water is outside the area of hydrologic impact (AOI) where the water storage occurred. Therefore, the local aquifer in the central portion of the SVPA, and not the one(s) where the storage occurred, will be the aquifer impacted by Resolution's proposed withdrawals. In terms of a 100-year Assured Water Supply (AWS), the water represents the equivalent of an annual buildout demand of up to 6,000 AF per year (AFY).

Comment ID: 562-7
Response: MIT1

Resolution could partially mitigate this impact by withdrawing its 256,000 AF of Phoenix AMA LTSCs from within the AOI of storage. This would have the effect of reducing the local area impact in the central SVPA to around 3,440 AFY. Even with this mitigation, at a density of three units per acre, assuming three persons per household, and using a water demand of one AFY per acre (Source: Arizona Department of Water Resources' Fourth Management Plan models for new single-family residential development), Resolution's withdrawals, if mitigated by recovering the LTSCs from within the AOI of storage, would still potentially result in the loss of the development of at least 3,440 acres of State Trust land. State Trust land has recently been auctioned for residential development in the area near the SVPA for approximately \$156,000 per acre. Therefore, even with partial mitigation, the loss of 3,440 acres of developable State Trust land represents a minimum potential loss to the Trust of at least \$536,640,000 in revenue.

← Continued



Regardless of the pipeline corridor selected, the Skunk Camp alternative will directly impact significantly more cultural resources, most of which are on State Trust lands. While the reporting of the Skunk Camp inventories has not been completed, the preliminary results given to the ASLD Cultural Resources Section indicate that almost all the cultural resources in the Skunk Camp alternative consist of Classic period Salado sites. Previous research in the region has revealed that habitation sites from this time period have the potential for large numbers of human burials (for example, partial excavation of Togetzoge Pueblo near Top-of-the World resulted in the recovery of 70 burials), and the numbers of sites in the Skunk Camp alternative suggests that several hundred burials could be impacted.

ASLD will assure that the requirements of the Arizona Antiquities Act and the State Historic Preservation Act are fulfilled for those cultural resources on State Trust lands, but the identified preferred alternative (Skunk Camp) has the most significant impact to cultural resources and will require the most mitigation of the adverse impacts.

LESSEE IMPACTS OF SKUNK CAMP

The Skunk Camp tailing facility greatly impacts several long-term ASLD grazing lessees and compromises future revenue generation for the Trust. A total of three grazing leases are likely to be impacted with an estimated minimum loss of 113 animal units. Over the approximately 40-year LOM, the Trust will recognize an estimated grazing revenue loss of \$800,000 at the Skunk Camp location.

Comment ID: 562-12
Response: LG3

Additional impacts to grazing lessees downstream from the mine may include the potential loss of surface water for which claims have been filed in the General Stream Adjudication. Loss of surface water may require lessees downstream of the mine to install wells to provide stockwatering.

CONCLUDING REMARKS:

ASLD appreciates the time and efforts of the collaborative TNF and SWCA teams in producing the multi-year DEIS project, and for ASLD's ability to participate as a cooperating agency on behalf of the State Land Trust and its Beneficiaries.

The Resolution Copper project has the potential to positively and negatively affect future development within the region. As the mine expands, available housing will be in short supply in the East Valley and this may act as a catalyst for the development of land within the SVPA. As demand for housing increases, the corresponding land values will increase. The Trust has the opportunity to recognize significant future revenue from these land sales. Conversely, the extraction and transportation of groundwater out of the SVPA greatly compromises the ability to develop these lands to their full planned potential, and as a result reduces the income and value of the Trust.

Comment ID: 562-13
Response: SO18

ASLD requests continued involvement in the completion of the final Environmental Impact Statement (EIS) as a cooperating agency stakeholder. ASLD asks that the TNF's project team continue to work with ASLD's Mineral, Cultural Resources, and Water Rights sections throughout all remaining stages of the EIS process. ASLD points of contact for this project include Aaron Magezi (amagezi@azland.gov) regarding minerals and rights-of-way, Pam Muse (pmuse@azland.gov) regarding water rights and Michael O'Hara (mohara@azland.gov) regarding cultural resources.

Sincerely,


Lisa A. Atkins
Commissioner
Arizona State Land Department

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COMMITTEES:
GOVERNMENT
WAYS & MEANS

DISTRICT 19

October 14, 2019

Tonto National Forest
Resolution EIS Comments
PO Box 34468
Phoenix AZ 85067-4468

Re: Resolution Copper DEIS comment

To whom it may concern:

As a longtime Arizonan, former city council member and legislator, I understand the importance of copper to the state. I have taken the time to learn about the Resolution Copper project in Superior, and I believe it offers immense value to Arizona.
As a mining region with a legacy of tailings, I am encouraged to learn about the reclamation work that has already been done in Superior, and the fact that progressive reclamation will occur as the project moves forward.
The economic benefit to the state will be a tremendous asset for decades to come. In a traditional mining region that has faced recent economic hardships, the numerous jobs this project will create will play a role in strengthening the economy in Superior and beyond. It is my understanding many of them will be high-tech STEM jobs, which is important to the United States and Arizona's future economic growth.
I commend the U.S. Forest Service for the thorough process it has conducted on this process, and I urge you to complete it in a timely matter. Please don't hesitate to reach out anytime if you have any thoughts or questions.

Comment ID: 282-1
Response: NS1

Sincerely,


Lorenzo Sierra

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DISTRICT 30

Arizona House of Representatives
Phoenix, Arizona 85007

October 29, 2019

Mr. Neil Bosworth
Tonto National Forest Supervisor
United States Forest Service
P.O. Box 34468
Phoenix, AZ 85067-4468
Attn: Resolution DEIS Comments

Mr. Bosworth,

First, I congratulate the United State Forest Service for completion of the Draft Environmental Impact Statement for this project, which I support, as quickly as possible.

Second, I understand this project has gone above and beyond the norm of a typical NEPA as it relates to tribal/public engagement and I encourage the project and USFS to continue this practice. Specifically, I am extremely supportive of the Tribal Monitoring Program and Community Working Group which the USFS and Resolution Copper have established to not only engage with stakeholders but also participate in development of the project.


Finally, as the USFS has identified the Skunk Camp Alternative as its preferred TSF location can the USFS further analyze the workforce development, job training, and local economic impacts to the communities of Winkelman, Kearny, and Hayden? It is vital that these communities receive benefits that are equal to the footprint impact to their region should the TSF be constructed at Skunk Camp.

Comment ID: 285-1
Response: NS1

Comment ID: 285-2
Response: SO10

Thank you for your consideration of these comments during the development of the Final Environmental Impact Statement.

Respectfully,


Robert Meza
House of Representatives
Legislative District 30

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COMMITTEES:
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TECHNOLOGY

DISTRICT 5

Arizona House of Representatives
Phoenix, Arizona 85007

October 10, 2019

Mr. Neil Bosworth
Tonto National Forest Supervisor
United States Forest Service
P.O. Box 34468
Phoenix, AZ 85067-4468
Attn: Resolution DEIS Comments

Mr. Bosworth,

Thank you for the opportunity to comment during development of the Final Environmental Impact Statement for the Resolution Copper Project. I hope the United State Forest Service has the resources to quickly complete the Environmental Impact Statement for this project, which I support.

As an elected official in rural an Arizona community, I am was pleased to see the economic impacts the project will have on the east valley when reviewing the DEIS. This project is vital to our national security and specifically the defense industry which operates in my community. As I think about our state's economic stability, projects like the Resolution Copper project will be vital to a healthy stable economy in Arizona going forward.
I understand there will be several thousand construction jobs and more than 1,500 permanent jobs created by the project's development. It is important to create as many jobs in rural AZ, and I am grateful that the Resolution Copper project will do that.

Comment ID: 296-1
Response: NS1

Thank you for your consideration of these comments and questions.

Sincerely,

