

**Town of Superior
Special Council Meeting Minutes
April 10, 2014**

CALL TO ORDER

Mayor Valenzuela called meeting to order at 7:00 pm.

ROLL CALL

Mayor	Jayme Valenzuela
Vice Mayor	Olga Lopez
Councilmember	Gilbert Aguilar
Councilmember	Michael Alonzo
Councilmember	Mila Besich-Lira
Councilmember	Stephen Estatico
Councilmember	John Tameron

PLEDGE OF ALLEGIANCE

Mayor Valenzuela led Council, Staff and audience in the Pledge of Allegiance.

INVOCATION

Pastor Albert Rodriguez, Superior Harvest Church read a couple of scriptures and invocation.

STAFF PRESENT

Town Manager	Margaret Gaston
Attorney	Steve Cooper
Administration	Ruby Cervantes
Police Chief	Mark Nipp
Fire Chief	Todd Pryor
Town Staff	Nora Miramon

VISITORS PRESENT

Sandra Doyle	Bhoozathie Tameron
Kathy Long	Eva Lopez
Malina Valenzuela	Christina Valenzuela
Freddie Miramon	Sonnie Sansom
Bruce Armitage	Barbara Armitage
Rose Rodriguez	Albert Rodriguez
Marilee Lasch	Alicia Cruz
Nancy Vogler	Tom Spridgen
Bill Vogler	Merry Darr
Doc Darr	Pam Rabago
Tiffany Rowell	Josh Dezeeuw
Hank Gutierrez	Tina Gutierrez
Roy Chavez	

CALL TO THE PUBLIC - Part A

Sandra Doyle: She stated that she would never support block cave mining. There are miles of tunnels under the Town of Superior. Her dad told her that the method to mining was the drill and fill method. That is why she believes the town is still standing. This kind of mining is less expensive and she would like to see Resolution go back and resume that kind of mining practices. She would like to see everyone involved in this to work together as a team and look out for the best interest of the Town. Superior will never be what it once was, then again nothing ever is.

Sonnie Sansom: In his opinion looking back at the last four years he has lived here, he feels the contributions made by Resolution Copper have not been too impressive because the town has wasted the money. So maybe Resolution Copper is not getting their bang for their money. He feels that Resolution Copper should change their approach by investing in some of the buildings owned by the Town and pay some taxes. There's the Belmont or better yet the Harding School Building. That would make a great museum. We also have a need for a transfer station. With all of the equipment Resolution has maybe they can help in that area and take it over.

Bruce Armitage: He is coming before the Council to read his letter of support for Resolution Copper but he always wants what is best for the Town. I have spoken to each Councilmember and each one of you has stated you support Resolution Copper. Superior stands out like a sore thumb in the Copper Corridor Communities for not giving their written support. Outsiders might look at this as Superior holding Resolution hostage in order to gain benefits from them. He feels the Town is acting like they want a free ride. The big picture is that Resolution does not need the support of Superior in order to move forward. Resolution Copper has put a good faith effort towards the Town of Superior. Mr. Armitage then read from an article in the Superior Sun regarding how much Resolution has given to the local school and other organizations. The Town of Superior has done nothing positive in response to Resolution Copper's good faith efforts. It is time for Superior and the people of Superior as a whole to put forth a concrete sign of good faith and show our support without expecting something in return.

Marilee Lasch: Ten years ago when I was looking at the Town of Superior I saw this big black ugly hill to the east and I wondered why anyone doesn't do anything about it. We argue and we fight about what is Resolution going to do and it makes me wonder. What is going on? We talk about this Economic development becoming great for tourist. I don't know if you all have had any dealings with Dr. Wilt, this man is impossible to deal with and he owns the majority of down town. Stores have closed owing her \$500 & \$700 dollars. Resolution has promised us large amounts of people. People like you, the Council, can hold them accountable. She just feels we just need to move forward and we can be a place where people want to come. Let's move forward.

Nancy Vogler: I know we have been here for 7 years and there are those of you that are going to say we are outsiders but I am going to have my say anyway. I believe that Resolution has not been given enough credit for all of the things they have done. They have helped all of the organizations and with events that different organizations are putting on. They want to see all of the Town work with them. I am urging you, the Council, to sign the agreement and move forward. So let's do it.

Bill Volger: He feels that all us here in Superior have hopes to make Superior better. He was looking at a video about Apace Leap that someone gave him. They all looked like they were all happy miners. The Town has major financial problems, as we all know and we all want to see the Town move forward. He feels the transparency is not there with the finances. Is the Town doing well?, where is the money going?, all of that. Resolution regardless of the mutual benefits has always helped the Chamber and done so much for organizations. Any agreement with Resolution should be a Mutual Agreement and Administrative Agreement. It should be administered together for the benefit of all of the people. Long term has to have provisions because nothing stays the same; everything changes so those agreement must be able to change.

Sue Anderson: She was asked by a couple of people, "if there was a Mutual Benefits Agreement what would you like it say"? She would like to see it stay the same. She loved the agreement the way it was. It was a good agreement. A lot of you were there when the agreement was signed and you all did a wonderful job. She would hate to see every five years that things have to be changed. She feels that Superior has gone downhill these last couple of years. We have a gold mine in our hands, they want to diversify, and they want us to be profitable. We need to do it for the children and the elderly. We need to move forward. She urges the Town Council to write the letter of support.

Hank Gutierrez: Wanted to thank Council for the meeting and and having a relationship with Resolution Copper. He also wanted to thank the Town Attorney for outlining in layman's terms the definition of Conflict of Interest. He hopes, from his personal experience, that they the Council all take his advice seriously because there are very serious consequences. Mr. Tameron hiring Mr. Aguilar was a great thing because now there can be discussion with all of the members of Council. He hopes the Council will not withhold a letter of support with the mining project. He hopes that everyone on this Council and everyone in this room understand that there are no guarantees. That the largest Copper ore in the country will be mined in our lifetime or our children's children lifetime. His prayer is that the Town of Superior gives a letter of support.

Dave Richins: Since we are talking about Resolution Copper he thought he would get up and say a few words. There are a lot of things that have changed on this project since 2004. They know more about the tailings and reclamation. They know more how the mine will operate. A plan of operation is filed on RCC web site so that is available to everyone as quickly as possible. They are working on several policies. They will be spending one billion dollars a year for 5 years on construction. He said RCC would like to work with the Town on how to capture 1% which would be 10 million dollars. They want to be good neighbors and do the right thing and would appreciate a letter of support.

Roy Chavez: This Council is faced with making decisions on a daily basis. Council knows that regardless of your decision, you will not satisfy everybody. He commends the actions of the Council last year. Mr. Gutierrez was correct; that opened the door for issues. He asked to consider the fact that this is not a local issue, this is a federal issue. This issue has been going on since 1992 when he was mayor. The letter of support should not be signed only after dotting all the l's and T's are crossed. Questions are answered. Last thing, Saturday there is a climbing festival at the Oak Flats with over 300 participants from 7:00 am to 2:00 pm.

Freddie Miramon: As a resident and taxpayer of Superior I am glad that this meeting is taking place tonight. I strongly support our Town Government and Resolution Copper Company. Council, you as the governing body must weigh this Mutual Benefit Agreement issue, its values and perspectives of our community to attempt to reach what is in all the public's interest. Council needs to continue to work together as a team and in good faith, keeping the lines of communication between each other open. Take steps to ensure team feelings and group morale. Turning negatives into positives learning from the past. Council, please have balance and public interest at heart. It is critical it promotes the public trust which is the foundation for everything you do in local government working together effectively to lead and achieve meaningful progress in our community. Thank you and may God Bless You.

Part B.

Mayor: Just wanted to respond to this issue since he has been hearing this the last couple of times we have met. Mayor stated he does not know how much more transparent they want from the the Council. They have been very transparent and you keep asking for financials. We have told everyone that those financials will be coming in the near future. Each financial cost the Town \$20,000 a year. The Town of Superior does not have \$20,000 to do the financials audits. Any money that the Town gets is going to the limited services we have and to pay our employees, there is no extra money. This Council has declined on the insurance the Town provides which saves the Town money and the wage that is given to the Council; we have all turned it down to save the Town money. No one has gone to any training out of Town and if they have, they have paid for it out of their own pocket. This Council has gone out of their way to do their part for the benefit of the budget. When I took office we were on our third and year going on our fourth year without an audit. We would do the audit tomorrow if we had the money, we have nothing to hide. We are being very transparent.

Tameron: He heard the word extortion which is not the case. We have a Chief of Police and I am sure that Resolution Copper would have put a stop to it immediately. He has not heard any one come to them and using the term extortion. We are not extorting money from anyone.

NEW BUSINESS

1. Discussion and status of negotiation and potential negotiations concerning possible Economic Redevelopment an Development Agreement between the Town of Superior and Resolution Copper. Conversation between Attorney and Council regarding making a statement that there will be no decisions made.

Town Attorney, Steven Cooper wanted to remind the Council what was discussed regarding conflict of interest since the minutes for April 10th meeting were not available. After several minutes of going over the April 10th meeting the Attorney went on to repeat the conflict of interest that all of the Council members had declared. We are here because a representative from Resolution Copper requested a meeting and begin some negotiations. This is why we are hosting this special meeting to be able to discuss matters regarding a Mutual Benefits Agreement.

Mayor stated he did not see Mr. Taplin here and Mr. Taplin was asked to please be in attendance of this meeting. Mayor found out he is attending a Town Hall Meeting at Queen Valley. Council has asked for his presence at these meetings because we know how important these meetings are to everyone here and to the community. Mayor called for Mr. Richins to please come forward since he is the representative for Mr. Taplin and Resolution Copper.

Dave Richins: He has been authorized to speak on behalf of Mr. Taplin in these proceedings.

Mayor: If you have the letter our Attorney sent Resolution Copper we can start with that letter and what the Town Council is negotiating for.

Mr. Richins: The first question he will leave that for the Council to answer. The time frames in our letter, we make ourselves available to you and designated representative for Mr. Taplin on behalf of Resolution Copper.

Councilmember Besich-Lira: Mayor for the sake of the public, since we are referencing both letters maybe the Mayor or Mr. Richins can tell us what the time frame was that Resolution Copper is proposing. Ms. Lira asked Mr. Richins the question regarding the proposed time frame from Resolution Copper. Mayor Valenzuela stepped forward and said he would be happy to answer that. In the letter they have given us a time frame from May 2014 thru August 2014. All negotiations and segments of the agreement will have to be done within those four months. Mr. Richins agreed with that time frame.

Councilmember Tameron: Mr. Richins, why is that time frame so small? Mr. Richins stated that was just a starting point, the time frame is not set in stone it is adjustable. After several minutes of time frames and what that would entail, Mr. Richins went on to speak for several minutes on some of the short term proposals that Resolution Copper is willing to talk about for the future of the agreement.

Attorney: There needs to be a separation regarding short term and long term. This is a community issue, and Resolution as well as the Town will suffer the consequences of those decisions. Both sides need to communicate what each side wants. Then when all is understood, an agreement can be signed.

Councilmember Alonzo: Going back to the letters written by Resolution Attorney and our Town Attorney we are looking at going back to look at short term and long term. We inherited this mess from previous Councils and here we are trying to work out something and trying to figure this whole situation out. There hasn't been any kind of negotiations until a couple of months back when there was two Councilmember's as liaison to meet with representatives of Resolution Copper. The trust was lost on both parties. It is critical that we work together and continue to work together to negotiate. We asked to meet because we, all of us here on the Council want to work together. We have to figure out how to capture the portion of the 1% from that 1 million a year. You (RCC) need to give a little as far as negotiating, and he was not talking about all that they have done for the school and local community organization.

Mr. Richins: On the long term beginning with the water rights. He wanted to make sure we understood where they were getting their water. They get their water from CAP right now they have a little over 20 year supply. So he is not able to address that issue of the water supply for the Town of Superior since he is not an expert in that field.

Mayor: What Superior really wants to know is what happens if Superior should run out of water? What is Resolution Copper Company going to do to assist Superior with water, or will you help us with water for the future. Some of the wells are dropping, going down several feet. The whole surrounding area is having issues when it comes to water and their well water levels. Are you going to help us or are you willing to help the Town of Superior if that should ever happen?

Mr. Richins: He was not qualified to speak in that area, but of course when and if that should ever happen, discussions can be held. He also wanted to make it clear that Resolution Copper Company is not using or taking any of Superior's water. They get it from CAP and the Colorado River.

Councilmember Mr. Tameron: If there is any water left from the mine, when the mine decides it can no longer be in operation, will they be able to give the Town the excess water?

Mr. Richins: They are only purchasing what they need to use for the mine. There will not be any water left since Resolution Copper is only getting what it needs. After several minutes of discussion regarding possible items; sanitation plant, transfer station, life of the smelter and the future of the tower at the smelter part of the mine. The black tailing sitting west of the Town, areas in the community where Resolution Copper helps was stated in the meeting of April 3, 2014. Mr. Richins went over those areas again. Mr. Richins also spoke on maybe upgrading the Towns computer system, making sure the Town has the most recent computer system to work with.

Councilmember Mr. Aguilar: Wanted to know regarding the statement about the EMS agreement still being in place. Mayor clarified that the allotment that was supposed to be given for the 1st quarter was given in advanced to cover some cost that the Town had to pay to Republic. The next allotment will be in June 2014, which will be \$100,000.00 for Police and Fire.

Mr. Richins: One last comment, he realizes that they have gone thru a long exhausting communications session. Let's not let this determine our vision. He feels there is a lot that can be discussed and do together. Resolution Copper wants the Town to be proud to be partners with them and not embarrassed about have them as a partner. That's their commitment to you, let's go? And get started?

Mayor Valenzuela: Requesting to go into Executive Session if this is appropriate at this time. Town Attorney, Mr. Cooper, answered yes if that is what Council would like to do.

Councilmember Alonzo: Wanted to make a comment, he thanked Mr. Richins for coming out and talking with us. He does not believe that this is the only thing that can be talked about and let's not limit ourselves on this. Let's work together and explore some of the other avenues. So thank you all for coming out and we are trying to be as transparent as possible. Let's try to get this battle between The Town of Superior and Resolution Copper ended. This is the first step at this and this might not please everyone, but we are making the effort. We all want to see this work.

Vice Mayor Lopez: She knows that this has been 10 years on going. Just like your company has gone thru administrative changes, so has this Council. She feels she can speak for all of the Council. They do want to succeed in this venture and become partners with Resolution Copper. Mr. Richins you have given us some good information tonight, but in the past a lot of the information was not shared and wasn't very clear. Our are hands were tied and we do not want that anymore.

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We have a good Council and everyone is open to the ideas. We want to look at the whole picture and want to do what is best for the Town. Thank You for coming and sharing this information.

Councilmember Estatico: He looks at it like this, Dave you are a trust worthy guy. As a councilmember he has to have some guarantees that if we do that we are going to take care of the Town of Superior that is how I look at it. I believe we can work together, all of these are good ideas but that doesn't mean that if we sign an agreement that those things are going to happen. We have to be sure that it takes place for me anyway. I am trying to protect the best interest of the citizens of Superior. He would love to sign the agreement but there is no guarantee that would happen. We just have to trust on the short and long term ideas and see what things will happen.

Councilmember Tameron: He just heard that Superior doesn't need an agreement to go on. Just heard from you there is a possibility of shutting done. He is getting mixed signals.

Mr. Richins: If they cannot get the investment committee to approve the money for the project then the project goes away. That is why our relationship is so important.

Councilmember Lira: She would like to thank Mayor Valenzuela and Mr. Richins for having this conversation tonight. She agrees with Vice Mayor Lopez comments, in the past there has not been this open communication. We have to protect our Town that this Town is here for another 500 years from here. As long as we keep communication open we can do it.

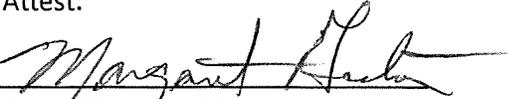
Mr. Taplin: Apologized for not being here for the entire meeting but he was at a Community Town Meeting in Queen Valley. A lot of the residents are seasonal and will be leaving the area so there was no time to reschedule the meeting so he does apologize. Mr. Richins has the approval to speak on any of the points and he has complete support from us to speak on the issues at hand. Mr. Richins has worked for Mesa Council and knows how and understands how local government works and is the best one qualified and we are very confident in his ability to work with the Town.

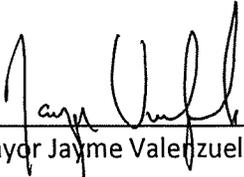
Motion to move into Executive Session with Town Attorney, Town Manager for one hour session made by Councilmember Estatico, second by Councilmember Aguilar, motion carries at 8:55 pm.

Motion to go back into regular session at 10:00 pm made by Councilmember Aguilar, second by Councilmember Besich-Lira, motion carries.

Motion to adjourn meeting made by Councilmember Estatico, second by Councilmember Aguilar, motion carries. Meeting adjourned at 10:03 pm.

Attest:


Town Manager Margaret Gaston


Mayor Jayme Valenzuela