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Honorable Barbara Cubin, Chairman
Subcommittee on Energy and Mineral Resources
1114 Longworth, HOB
Washington, D.C. 20515

Dear Congresswoman Cubin,

This letter contains my prepared testimony for your Field Oversight Hearing on Sustainable Development Opportunities in Mining Communities. In the way of introduction, my name is Jon Hutchings, I represent Eureka County, Nevada as Director of the Eureka County Department of Natural Resources. In that capacity I serve as advocate and mediator for the community, negotiating the myriad of renewable and non-renewable resource issues facing Eureka County and rural Nevada. My training and work experience provide a solid backdrop for addressing today's topic in a fashion that balances our local and national economic needs with those of our human and natural environment. I have fourteen years of experience dealing with both technical and policy concerns of natural resource management. Besides my tenure with Eureka County, my experience includes five years as a co-principal investigator for the Idaho Water Resources Institute and four years as a research soil scientist at the University of Idaho. I hold a Ph.D. in Soil Science and an M.S. hydrogeology from the University of Idaho. I am a Certified Professional Soil Scientist, serve on the Board of Trustees for the Nevada Water Resources Association and am a member of the Secretary of Interior's Northeastern Great Basin Resource Advisory Council.

Boom and bust cycles have shaped the custom and culture of western mining communities for some 150 years (see Attachment 1, Gold Production, 1835-2002). The impacts of boom and bust are evident in the empty buildings and glory day stories touted in walking tours and museums of historic mining districts across the west. Unfortunately, the social transitions that accompany this economic model impose a tremendous strain on the fabric of contemporary rural life. Recent examples of this struggle include Lead, North Dakota, which is presently struggling with closure of the longest operating (1876-2003) mine in the United States and Ely, Nevada, which is ever-so-slowly recovering from the 1978 and 1997 closures of its vast copper mines. Given the enormity of the present mining boom and its influence on western mining economies, we can expect that the subsequent bust will deliver a greater blow to a greater number of Americans than has ever been experienced in the past.

As host to the largest gold deposits in the continental United States, Eureka County is squarely in the middle of these economic circumstances. Our community has an enormous amount to gain from the mining industry, but is poised to suffer a major correction in population, employment, revenues, social services, and other amenities that have come with increased mining activity. In Eureka County, our quest is to apply the resources availed us by our geographic fate and by the vitality of the mining industry to temper the inevitable changes in our economic future.

There is no reason to doubt that mining communities and the mining industry can make great progress toward sustainable economic and social conditions in the rural west *if they pursue a collaborative and progressive agenda*. That agenda must address (1) community-industry dialog, (2) industry's role in community planning, (3) environmental integrity and (4) post-mining land use.

Effective dialog between communities and the industries they host is the first step in the pursuit of sustainable development. It is also the step on which all other aspects of collaborative sustainable community development rely. The ultimate goal of effective dialog is to build capacity among industry and the community for dealing with issues calmly while they are emerging, rather than disruptively once they have matured. To be effective, dialog must extend beyond formal corporate appearances and penetrate deeper into the community's cultural leadership. Community and industry benefit from the ability to recognize and respond rapidly to relatively subtle concerns within either group. In some cases effective engagement may require fundamental change in corporate and/or community philosophy, while other cases may simply require an awareness of relationships that are already in place.

Many rural communities are inexperienced in organizing and developing effective plans for the most-mining future. By virtue of the potential impacts mining companies can have on rural communities, the industry should be prepared to assist affected communities in (1) accurately assessing their assets and limitations (even in the face of windfall population growth and revenues associated with mine development) and (2) fairly assessing industry impacts to the community. The process of community planning is a ready means by which communities and the mining industry can identify and act upon sustainable development opportunities.

As a class, environmental issues are perhaps the foremost hurdle in mine-related community development. High profile environmental disasters like the Silver Valley in Idaho and the Berkley Pit in Montana still stigmatize an industry that has made great strides in the environmental arena. As a result, environmental issues are still a difficult hurdle for industry-community relations. At the community level, effective dialog about environmental concerns, active participation in monitoring and analysis of environmental issues and developing "community ownership" of alternative solutions to environmental problems are keys to overcoming the stigma. "Community ownership" and confidence about environmental oversight will go a long way to avoid unfounded charges of environmental injustice and will promote an improved sense of economic security among affected communities.

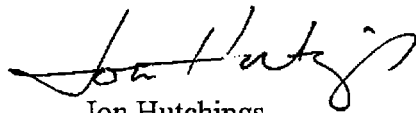
At the regulatory level, there is some question as to whether state oversight of the mining industry adequately deals with community impacts (even though specific environmental issues may be properly put to rest). State environmental permitting requires public disclosure and comment; however, the permitting system does not actively promote community engagement in the fashion of the National Environmental Policy Act. Given that industry and rural communities prefer state and local oversight as opposed to federal oversight, a concerted effort between local government, state government and the mining industry is needed to better address community sustainability issues in environmental permitting.

Post-mining land use is the single greatest opportunity for successful collaboration between host communities and the mining industry. At present, mines are generally required to remove and rehabilitate mill sites, roads, power distribution systems and other infrastructure that may be boons to other industries. This kind of infrastructure is in many cases a community asset rather than a liability. Collaborative community planning should focus on collateral and subsequent uses for mining lands to (1) enhance the economics of mine development and (2) result in a longer, more stable economic package for the community.

In a similar vein, communities should work with the mining industry to consolidate land holdings. This is particularly true in public lands communities like those of rural Nevada, where over 87% of the land area remains in federal ownership. Disproportionate federal ownership of the surface estate severely limits the kinds of post-mining land use opportunities discussed above. Creating large, contiguous blocks of private land and reducing the complex administrative burden of checkerboard lands should be a high priority for promoting sustainable economic development.

As spokesman for Eureka County, I applaud you and Congressman Gibbons for addressing this extremely important issue. I ask that that this Committee, together with the State of Nevada, Nevada's mining counties, the mining industry and the affected public pursue these sustainable development ideas and protect Nevada's mining communities while the opportunity is ripe.

Respectfully,



Jon Hutchings,
Natural Resources Manager

cc: Board of Eureka County Commissioners
Board of Lander County Commissioners
Nevada Association of Counties
Nevada Mining Association

Gold Production, 1835-2002

