

12/2/97

To: John
Lance
Frank

Fr: H.Clay

RE: Hamm Mine Haulroad Accrual

Met last night with the Windham Select Board (Walter Woodruff and Carolyn Partridge ,acting chair person; Helen George was absent), also present was the Town Clerk (Carol Merritt) and two citizens.

Told the Board that I wanted to review the status of the Hamm mine and offered to come back to them on an annual basis to update them on our mining plans.

Reviewed our mining status; i.e. no mining since mid 1995, and no immediately plans to go back to mining at the Hamm site.

There was a comment by Carolyn that a neighbor's property would likely be flooded if the pit was allowed to overflow. I assured the Board that we were monitoring the pit water level routinely and would pump it down before it overflowed onto someone's property.

Requested that the Select Board agree to suspend the requirement for Luzenac to make an accrual of \$10,000 per year until such time that we go back to mining at Hamm.

This request was a sensitive issue as each of the Board members and Town Clerk , spoke of the need for continuous maintenance on that section of paved road. They further implied that the "Talc Company" should be responsible for the paved road maintenance. The Town Clerk said that she had not seen any money on an annual basis from the talc company. I told them that it was our interpretation that we kept the money as an accrual on our books. Walter did concede that if they(Luzenac) was not using the road, then why should they still set aside moneys for road maintenance. The Carol Merritt immediately pointed out that the Town had not established any funds to repair the road.

Walter suggested that they should seek legal council opinion on the issue and would get back to us.

Carloyn suggested that the Board would want assurances that the road maintenance costs be fair to both them and us should we go back to mining after some time and the Town had already fixed the road up again. She said they would review the matter and get back to us.

My gut feeling is that the Town of Windham has simply sat back and is expecting us to fork over \$10,000 each and every year for mine haul road maintenance and consequently they have never set forth any funding plan of their own. They had no need for their own funding plan because of our \$10,000 per year is being viewed as free money to them. I also sensed an under tone of some ill feelings between the Town and the Talc Company.

While we are waiting for them to get back to us, I plan to talk with our Act 250 people some more on this subject.

Frank, do we have documentation on exactly what we have spent on Hamm haul road repairs? If so, can I get copies?

I will keep you posted of further developments.

4/16/98

To: John
Lance

Fr: Howard

RE: Hamm Mine

Toured Hamm Mine this morning and was pleasantly surprised at the water level. I know Lance has a level reference point that he can identify and we can compare notes. The good news is that the level is much lower than what I had expected to find considering the rapid snow melt. Plus there was evidence that the level has actually dropped about 3" recently. I made notes as to a specific reference point which I can use in the future, and will continue to monitor the level from time to time.

I would like to see us do some more cleanup of the site; such as:

- Remove the old office trailer, and probably scrape it down to its condition.
- Tear down the small storage shed.
- Remove pieces of pipe and hoses.
- Remove three 55 gallon drums and one 5 gallon pail.
- Level the ore piles, cover and vegetate.
- Finish grading, covering and seeding overburden pile.
- Plant trees on slope and initial flat of overburden area.
- Plant a few more trees in line with the nearest house.

I would like to see if Neil McKenzie would give me a cost estimate for doing the above.

If the above work was performed, we would clearly be making a statement that we will leave a mine site looking great; even one that is only mothballed.