

Spearfish Canyon Owners Association
Board of Directors Meeting
Saturday, June 9, 2012

The SCOA board of directors met on June 9th at 9:00.m. at the Spearfish Canyon Fire Hall. Present were President, Gene Shaw, Tom Adam, Harry Matti, Steve Paula, and Fred Welker.

Old Business

There was no discussion of old business.

New Business

Reviewed a copy of the financial report submitted by Jim Benson, Treasurer. Current balance is \$25,314.01 including both funds in both the checking account and CD.s

There was no ARC report

There was a general discussion of the projects proposed by the USFS at Bridal Veil Falls and The Long Valley Picnic Grounds. Copies of the USFS Proposal are attached.

- Members of the SCOA board participated in a teleconference with the USFS to discuss the proposed projects.
- There were no changes to the Bridal Veil Falls project
- The SCOA board recommended the scope of the Long Valley Picnic Area Project be reduced, removing the additional picnic sites at the south end of the picnic area.
- The USFS agreed to the reduction proposed by the SCOA Board.

The Annual meeting is to be held on July 21st At the Fire Hall. The meeting was moved to the 21st due to a scheduling conflict for the 14th Dave Bruckner will cater the event and serve Roast Beef.

The following will be invited to attend because of their involvement in the Mountain Pine Beetle project: Carl Burk, Bill Colburn, Bob Ewing, Dave Hecht, Rhonda Obern, Bruce .Outka, & Terry Weisenberg.

The Denver Standard Group represented by Mark Nelson and Dan Dailey presented information on the proposed mine on the east rim of the canyon above Savoy. A copy of the handout is attached. Some general information about the proposed mine:

- There are 10 investors All equal partners
- The Site covers roughly 400 acres of which 123.4 will be mined
- The concrete vats for the heap leaching will be enclosed to prevent impact from weather.
- Financing must be obtained after permitting process is completed.
- Waste water discharge is yet to be determined and could be either surface or ground
- Proposed project to have an 8 year duration with options to grow beyond he initial scope
- Ore volume per day estimated to be 1500 tons
- Blasting will be controlled and monitored to prevent impact outside the mine site

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An update on the status of the Mountain Pine Beetle Project (MPB) was given by Dave Hecht.

- Cut & chunked 42,000 trees.
- The effort is not just a one year project. It will require significant funding and effort over the next several years.
- The MPB is an endemic species that has been present for years. The current epidemic has lasted for roughly 15 years and will continue as long as the current conditions persist

Michael Goodroad, a cabin owner and member of SCOA, representing a group of concerned citizens with cabins in Spearfish Canyon, presented a report outlining their concerns about the negative impact mining on the rim above Savoy will have. Their position is to oppose the issuance of a conditional use permit to The Deadwood Standard Project, and ask that SCOA oppose in also. A copy of the materials presented is attached.

Don Harvey talked about the MPB project and encouraged all cabin owners to have their Ponderosa Pine trees sprayed before the beetles fly. The cost of spraying each tree is approximately \$15 and will need to be done each year

The meeting adjourned after approximately four hours.
Submitted by:

