

The Unity of Place

*Giving Birth to Community
Environmental Monitoring*

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RioTinto



POSTSCRIPT: Rio Tinto has sold 100 percent interest in the Eagle Mine to Lundin Mining Corporation, effective July 18th, 2013. Lundin Mining fully supports the Eagle Mine Community Environmental Monitoring Program (CEMP) and will continue it.

The main precondition to self-governance (and perhaps to global survival) is the simple, fundamental ability to communicate with each other across the barriers of individual differences in interests, nationalities, cultures, and frameworks for the purpose of setting common goals and strategies for achieving them.

—Daniel Yankelovich*

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This story is about people making up their minds, and even changing their minds, about something that threatened, disrupted, and divided their community. The people are the “solid citizens” you find in most places: a housewife, an accountant, a funeral home owner, a doctor, a lawyer, the head of a community-based organization, and others. The threat, too, is familiar—the coming to town of a big, distant corporation with plans for making money. In this case, the threat was intensified, because the company wanted to open up a nickel-copper mine, which poses risks for health, safety, and the environment. As you’d expect, the community fractured into sides—against the mine and for the mine.

The community is small and far from big cities. It is neither rich nor poor, but it has struggled and changed. Many residents are the descendants of people who came to work in mines dug in the 19th and 20th centuries, but those opportunities faded decades ago. Some are descendants of the Native Americans who also mined copper, long before the European influx. More recently, people young and old have been moving in to take advantage of the area’s vast and relatively unspoiled natural bounty, the Great Outdoors.

This story is also about the people in that distant corporation and how they too have had to make up and even change their minds about how to act when they come into a community, this one and many others around the world, and then disrupt its life.

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I. Fault Lines

Finally, this story is about an agreement, a genuine innovation hammered out between people in the community and people in the company that promises something unexpected and important about their future together. The choices they made will have consequences for the mine, still being dug out but with a projected lifespan of seven years or more, and for the community. Perhaps the agreement will reach even beyond this mine and this place. It set into motion a dynamic—within the community and within the company—that could reoccur when other mines are proposed in the vicinity by this or other businesses, as they surely will be. And perhaps what happened here will matter much further away, in other communities also located atop valuable minerals and also having to make up their minds.

I. Fault Lines

Maura Davenport knew exactly how she felt about having a new mine open up near the forestland she and her husband owned a short distance from their home in northern Michigan. She was dead-set against it. An environmentalist since her college days, now the mother of four adult children, she took an instant dislike to the mine owner, Rio Tinto Group. “We started to see drilling rigs and trucks and new signage. We didn’t have any idea what was going on. When they finally announced they had purchased mineral rights for thousands of acres, that just got our ire up. They moved into the community, throwing their money around. We learned about this type of mining from groups opposing the mine, about cave-ins and sulfuric acid in the groundwater. From them we learned that Rio Tinto doesn’t care about the community. They have a lot of money and start sponsoring every event and organization. They kind of take over and expect us to follow along. To their surprise, we didn’t. We fought.”

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I. Fault Lines

Carl Lindquist opposed the mine. Twenty years earlier he'd moved into the region to be close to "wild country." For years he'd worked with state and federal officials, the Keweenaw Bay Indian Community, and others to raise \$1 million and launch 20 projects to improve the Salmon Trout River's habitat and spawning areas for a dwindling population of coaster brook trout. "We started working there before there was a rumor of a mine. It's a unique place, the only place on Lake Superior's southern shore where there's naturally reproducing coasters; everywhere else they are being re-introduced." And the hard work has been paying off. Researchers reported the river had 70 percent more adult trout than a decade earlier. "I'm really proud of that. And then this mine issue came up, with the site right at the headwaters of the river." In 2007 Lindquist coauthored a management plan for the 31,000-acre Salmon Trout River watershed, its streams draining into Lake Superior, which warned that a mine posed a "significant threat to water quality." Page 33 spelled out an alarming scenario: "When the mineral or waste rock is brought to the surface and exposed to air, it oxidizes and creates sulfuric acid, commonly referred to as acid mine drainage. This acid can run off in rain or snow melt events and contaminate large areas of surface and ground water resulting in serious impacts to water quality and aquatic systems."

Fear of the unknown and the unexplained; distrust of a faceless corporation's motives and deep pockets; lack of faith in distant state and federal government regulators and their political masters; and a dismaying sense of powerlessness in the face of apparent threats to life, health, and property, to what one cherished, to the land, the waters, and the people: these feelings—natural responses—surged through Davenport, Cowell, and Lindquist and many of their neighbors in communities near the mine site. One hundred physicians bought a newspaper ad against

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I. Fault Lines

the mine. The Keweenaw Bay tribe sued to stop the government from permitting the mine, as did others. Grassroots groups opposing the mine forced a township supervisor who supported it to face a recall election. “It was very frustrating,” says Chantae Lessard, the mine’s principal advisor for communities and social performance. “The folks who opposed mining were very well connected, very engaged, and resistant to talking to anybody from the company.” In her previous assignment, “We had opposition, but they would come to the table and tell us what they didn’t like and give us feedback. Here, everything that came out of my mouth was called a lie.” The community fragmented along familiar lines: pro-mine, anti-mine, jobs versus nature. But the mine’s plan won government approval, and the site construction and digging began.

Then something happened that Davenport, Cowell, Lindquist, and other members of the community hadn’t imagined was possible. They got a measure of power over the mine. And it was Rio Tinto that gave it to them.

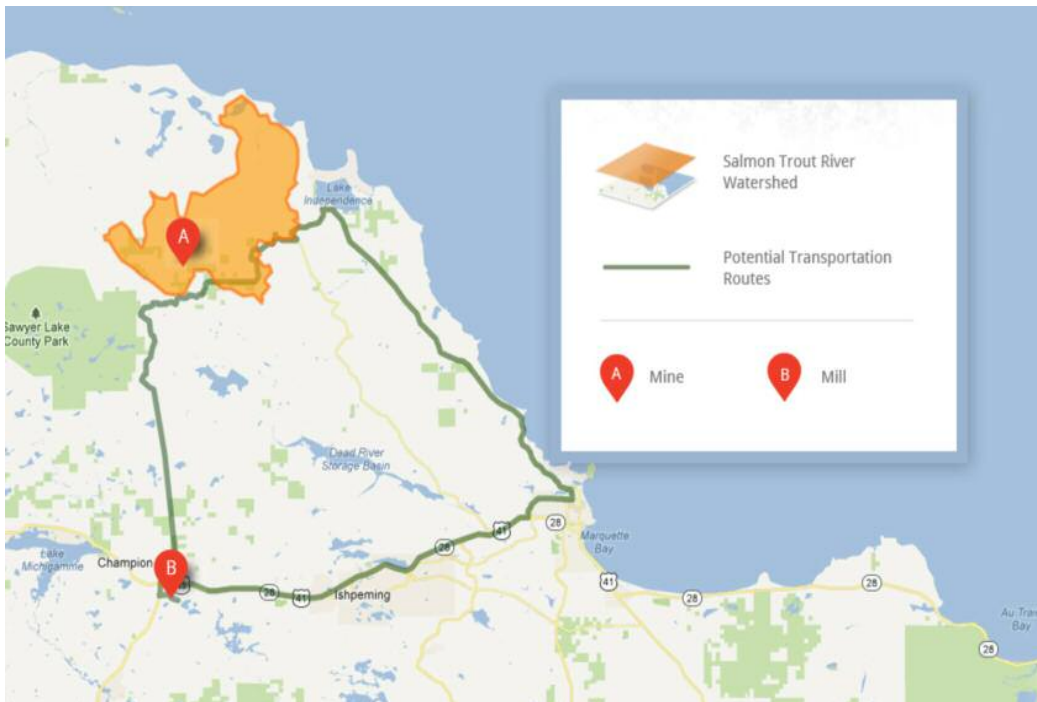
Chronology of Eagle Mine

2002	Rio Tinto exploration discovers mineral deposit at future Eagle site
2003-5	Purchase of land and mineral rights by Rio Tinto
2006	Rio Tinto applies for government mining permits
2007	Permits approved
2008	Lawsuits challenging permit
2009	Permits upheld in court
2010	State permits finalized; mine surface construction begins
2011	Mine underground construction begins
2014	Estimated first production from mine

II. Guardian

In mid-May, 2012, Carl Lindquist received an intriguing email from Rio Tinto’s Simon Nish, director of community, communications and external relations. Lindquist is executive director of the Superior Watershed Partnership, a regional nonprofit organization with a small board of directors—including Maura Davenport—and staff and an office in Marquette, Michigan. A self-assigned protector of natural resources, the Partnership stands at the intersection of the environment, economy, and community in Michigan’s Upper Peninsula, along the southern shore of Lake Superior, the world’s largest freshwater lake by surface area.

The “U.P.,” as it’s known, is Copper Country. Before French explorers arrived in the region in the 17th century, the indigenous people already there had been mining copper—digging pits—and trading it, as knives, axes, spearheads, needles and jewelry, with their neighbors. In 1841, geologist Douglas Houghton reported vast copper deposits in



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II. Guardian

the region, which triggered America's first mineral rush, a migration of prospectors, East Coast financiers, speculators, and adventurers to the sparsely populated area. The mining of iron ore a few years later resulted in the development of Marquette, along the rocky Superior shore, from which ships carried the valuable minerals to mills and markets. For more than a century, mining and lumbering—removing natural resources and shipping them away for processing—drove U.P. economic life and communities. Volatile industries dependent on world commodity prices, they created commerce, employment, and wealth, but they also denuded the land and contaminated the water.

Today, Marquette is a city of about 22,000 people, nearly 40 percent of whom hold a college degree; it is the economic engine of a county with about 45,000 more people scattered in low-density towns and homeowner lots. The local culture is self-reliant, relishing the long, cold, and snowy winters and the isolation—the nearest “big city” of Green Bay (population 104,000) is more than a three-hour drive away. Several decades ago the region's copper mining came to a halt (although an iron mining company is the county's second largest employer), a legacy found only in historical museums or in family stories about why their ancestors' immigrated to the region. Marquette's dominant industries are professional enclaves: a state university, a regional hospital and health care system, and government agencies. A once-stagnant downtown is reviving thanks to an influx of people attracted to the area's vast natural bounty: the big lake, rivers and streams, endless woods, and abundant wildlife and the sailing, biking, fishing, hunting, and other recreational and spiritual opportunities they offer.

This has been fertile ground for the Superior Watershed Partnership, which grew into the region's most

prominent community-based conservation entity, partnering with communities and Native American tribes and raising \$1-2 million a year for its work. “As an organization,” says Lindquist, “we focus on implementing projects that have tangible results. We don’t shy away from taking a stand when we have the opportunity, but we tend to take the middle path on issues, because we work with everybody. As an example, two of our best partners are the City of Marquette, which supports the mine, and the tribe, which opposes it.” Larger than local grassroots environmental organizations, the Partnership tackles a wide range of matters: Great Lakes pollution prevention, stream restoration and shoreline stabilization, invasive species removal, native plant reintroduction, youth education, climate-change adaptation, and more. Several times it took a stand against sulfide mining along the Salmon Trout River. Meanwhile Rio Tinto obtained the government permits it needed for Marquette’s new Eagle Mine. It cleared and fenced in 120 acres and started to drill a mile-long tunnel to reach the ore, and reopened, cleaned up, and upgraded an off-site mill to separate mineral from rock, all just a short drive from the city.

The email Lindquist got from Simon Nish, after several conversations between the two men, suggested a new role for the Partnership.

III. Risk Management

By any measure Rio Tinto is a Goliath to the Marquette community’s David. Started in London in 1873, when Marquette was still a small town, its payroll of 70,000 employees outnumbers the county population. Its 2011 revenue of \$60 billion dwarfs the county’s economic output. That year the company contributed \$294 million to communities worldwide, while the Marquette County

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III. Risk Management

Community Foundation issued some \$400,000 in local grants. The fourth largest publicly traded mining company in the world, in the middle rank of the Fortune 500, Rio Tinto operates on six continents and in 2011 explored for copper and other commodities in 18 countries.

The hazards a mining company faces are well known. But in the past few decades Rio Tinto has had to acknowledge and adapt to a new problem: the feelings of the local community. That's where Simon Nish comes in. As Rio Tinto's director of communities, he arrived in Marquette in late 2011 to conduct an audit of the mine's relationship with the community, a process the company undertakes every three years at its operations. "I led the team," Nish says. "We interviewed community and company people about how the project was performing." He explains that the focus on community is a relatively new dimension for Rio Tinto, the result of a "long learning journey for the company" that started several decades ago and worlds away from Michigan.

In the 1970s in the newly formed nation of Papua New Guinea (PNG), Rio Tinto negotiated the Bougainville copper mining agreement with the national government. The prevailing view then was that companies could rely upon their legal license from the government. And companies and national governments also believed that local concerns, such as the distribution of revenues from resource projects and the influx of people into a region, were the business of government and not of corporations. "After a couple of years of mining," Nish says, "it was very clear that the locals were not very happy with both their share of the deal and the influx of people from other parts of PNG; they wanted to renegotiate the agreement. Tensions between the perceived role of national government and that of the local community escalated to the point of civil war and we exited

the island under gunfire. There are senior people still in the company who went through that experience. This demonstrated to us that our social license to operate, earned from the local community, is just as important as our legal license to operate. We can never rely solely on a national or central government for our ability to operate. You have to have community support—or you are at risk of losing the mine.”

In the 1990s, the Lassing Mine disaster in Austria, in which 10 people died, prompted Rio Tinto to replace its decentralized corporate model, which allowed free-wheeling subsidiaries to set their own standards for health, safety, and environmental programs, with a worldwide set of standards for every mine and control processes to assure that local mine managers met the criteria.

In parallel with these developments, Nish says, Rio Tinto officials noted a significant global trend: “Across continents and cultures, there was a weakening of the central state and an empowerment of the community and local organizations. You saw it in the western world in the massive street protests against world trade organizations. You see it in the linking up of environmental and community groups. You see it in the action that community groups are prepared to take now in determining their own affairs. There were people in the company smart enough to see that what could be described as singular events are actually linked up into a web of social change.”

As a result, Nish explains, Rio Tinto decided it should approach communities where it wanted to mine in a new way that was neither corporate philanthropy nor corporate social responsibility. “It’s about value exchange. In our minds, the value proposition is like this: The community says to us, if you treat us with respect and recognize our interests; if you operate in an open, transparent way;

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if you operate to the highest environmental standards; if you're going to create long-term economic development for us; and if you will clean up when you go—then we will consider supporting you being here. For Rio Tinto, the value exchange is that we do certain things in exchange for community support, which is highly valuable in dollar terms to us.”

The Eagle Mine is a relatively small project for Rio Tinto, a “baby” in terms of its physical footprint, cost, and the volume of rock moved[†]. It's a cost-competitive project because of the high grade, the purity, of the estimated six-acre ore deposit (containing perhaps 550 million pounds of nickel and copper) some 1,000 feet below the surface. But compared to most Rio Tinto mines, that's not a great deal of ore and it will be removed in much less than the 40-50 year life span of a typical mine. When Rio Tinto's Adam Burley arrived in Marquette in July 2011 to take control of the mine project he recognized that, as he puts it, “Eagle is about more than just financial return. It's a sizeable business for the local area, and an important business for us, but even if we did the best we could financially, we are not in the same league as the major Rio Tinto projects. Eagle is an opportunity to build the company's reputation as a ‘developer of choice.’ In certain parts of the world many companies compete to access a particular deposit. There's a strategic advantage for the company if we can point to examples around the world and say, ‘This is how we can develop, build, operate, and rehabilitate a mine in a responsible and sustainable way.’”

Burley, British and trained as a geologist, conducted explorations on several continents for Rio Tinto, worked extensively in Africa, and did an 18-month turn in the CEO's office before becoming president of the Eagle Mine business unit. He acknowledges that the company is already exploring

for other potential sites in Michigan, Minnesota, and Ontario. “We’re optimistic about the prospects. Geologically, all the indications are there. And if we develop those opportunities, we want to point to Eagle and say, ‘We recognize this is an environmentally sensitive area and look how we’ve managed the environmental risk. Look how we’ve partnered with the community.’”

Particularly important in the Eagle Mine case, adds Nish, is the company’s ability to work well with indigenous communities, an important factor in future U.S. mining because reservations of Indian tribes contain a great deal of mineral endowment. “The company’s game plan is bigger than Eagle,” Nish acknowledges. “What we do here could open doors elsewhere.”

But as Nish and his community-audit team met with Marquette community members and company employees on site, it became clear that the community’s “door” was far from open. “There was very intensive debate and conflict in the community. We’d been too slow off the start in this project; people who opposed the mine had a couple of years of free reign and they had shaped the story.”

IV. Disturbance

Long before the Eagle Mine will produce nickel-copper and generate revenue for Rio Tinto it has already boosted the local economy and altered the landscape. Some 80 people are employed and hundreds of contractors supply goods and perform services. Some of them work at the mine site; others are in Rio Tinto offices in Marquette and nearby Humboldt. Company employees are renting and buying homes and filling local hotels and restaurants, while company funds have upgraded some of the local electricity grid and emergency medical equipment. Rio Tinto spent \$30 million to install a state-of the-art water

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treatment plant, a centerpiece of its plan for environmental performance. Construction is about 45 percent complete and overall cost of the project so far is \$225 million. The mine is due to be in production by late 2014, at which point employment is expected to reach 220 people.

The site has been cleared and engineered with roads, a truck-washing building and other facilities, and rock dumps and water-holding ponds, except for a fenced 9.5-acre outcropping of rock covered with thick forest, right beside the mine entrance. This is “Eagle Rock,” left undisturbed by the company in response to the Keweenaw Bay Indian Community. A few minutes’ drive from the site’s office two wells pump groundwater to the mine area. A little further along, the dirt road crosses the upper portion of the Salmon Trout River, a small babbling brook, fed by groundwater. “Blink, and you’ll miss it,” jokes Bob Cowell, who is on his first tour of the mine, but knows this stretch of woods and stream well. (The lower Salmon Trout is more full-bodied and where the coaster trout live.) The river and surrounding woods are often described as “pristine,” meaning unspoiled, but both have long histories of “human intervention.” “It’s been disturbed ground for many, many years,” Cowell says. “The whole area was effectively a tree farm, logged and logged again and again. To say it’s this pristine wilderness—the people who live around here think that’s a total hoot.” The watershed management plan that Lindquist helped to write noted that “human influence over the past 50 years has exacerbated” the river’s worst environmental problem, sediment pollution, and identified “logging effects... [and] man-made barriers to migration” as factors reducing the coaster brook trout population.[†]

The company’s regulatory permits address a range of potential environment impacts at the mine and the mill:

contamination of the groundwater and streams; reductions or increases in groundwater levels and stream flows; dust and emissions in the air; damage to plants, wildlife, and habitats. Much of the focus is on the water. At the mine's water treatment plant, construction manager Adam Schultz, Australian with a degree in environmental science and previous Rio Tinto postings in Australia and Madagascar, says that up to 200,000 gallons a day are being treated and this can rise to 500,000 gallons daily under the mine's permits. Almost all of this water is rain or snow melt that may have come into contact with mined ore. "There's a whole swag of criteria we have to meet" before water can be released back into the environment. "The water we discharge is cleaner than the water we pump out of the wells."

The company's confidence in the effectiveness of its environmental-impact plans and operations, however, met with continuing doubt and skepticism in the community. This is what Nish, with Burley's approval, set out to try to repair.

V. Alignment

The email Carl Lindquist received from Nish touched off an intense three-month, behind-the-scenes negotiation that eventually included a second local nonprofit institution, the Marquette County Community Foundation, and consultations with Rio Tinto officials worldwide. In a three-page attachment Nish had laid out the company's purpose and proposal. "The Eagle Mine wants to build public confidence in the environmental management and performance of the operations," declared the memo, proposing that the Partnership join with the company to establish "independent monitoring" of the mine's environmental performance. Rio Tinto offered to pay for the monitoring.

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In the prior months Nish had met twice with Lindquist, who he knew opposed the mine, and briefly mentioned the possibility of additional monitoring, beyond what government regulators had required. “What I heard from Carl was that this might reinforce the Partnership’s role in environmental protection, a model for development in the Great Lakes region that protects water resources. It wouldn’t just be a new way to hold our feet to the fire on environmental performance. I thought this was a nice intersection—we both had a bigger game than just the mine. There was mutual self-interest.”

Lindquist liked Rio Tinto’s idea. “The game had changed. They got their permit and they are moving forward. So what role would we play as an organization? Doesn’t it make sense to have more monitoring and to have a local group doing it?” He shared Nish’s note with Richard Anderson, the Partnership board chairman. Anderson, a consultant in business and community development and local resident for three decades, was intrigued by Rio Tinto’s monitoring overture. He had heard from a trusted friend, a geologist, that mining in the U.P. could “be done the right way,” and he had met Nish and concluded that “this is someone I could do business with; he’s world class.” But Anderson and other board members were deeply concerned about risks for the Partnership in associating in any way with Rio Tinto. “The board worried that working with Rio Tinto could be bad for our brand. The question was, is Rio Tinto attempting to acquire community standing by being affiliated with a highly respected local organization, or do they actually get that their standing long-term is best served by being affiliated with a *truly independent* mine monitoring process?” To negotiate with Rio Tinto, Anderson appointed a board subcommittee of three: himself; Jerry Maynard, a fly fisherman and attorney with a long career working for Fortune 500 corporations on envi-

ronmental issues, and—“I wanted the board member who was the most concerned, or cynical, or against Rio Tinto”—Maura Davenport.

During the negotiations, Nish’s sparse three-page “Draft Terms Sheet” mushroomed into a detailed 61-page “Community Environmental Monitoring Program Agreement.” There was a lot to talk about and haggle over, word by word at times, but the most important discussions focused on several issues: What was the purpose of the effort, what would be monitored and, most critically, how independent would the monitoring really be? “There wasn’t a sentence,” Anderson says, “where the Partnership team wasn’t examining how far we should go. But the balance of power in the negotiation always defaulted back to this question: Does it serve the purpose of our being independent? This could not be undermined. It was our lever.”

The Partnership understood Rio Tinto’s interest in building public confidence and trust in the mine operations, but that was not a goal it shared. “That’s their hope, not ours,” says Anderson. “Our job is to deliver on an independent monitoring program and do it in a way that the community can trust and use.” The final agreement states that the joint purpose of the monitoring program is “to build a comprehensive and accurate picture of the Eagle Mine’s environmental impacts... based on the highest scientific standards.” Monitoring would cover Eagle’s mining operations—“inside the fence”—the ore processing at the Humboldt Mill, stream crossings along the ore transport route, and air quality in Powell Township (the community closest to the mine). Monitoring could be done to verify Rio Tinto’s own monitoring and to go “over and above” the company’s government-required monitoring. In addition, community members could identify monitoring

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that they thought should occur, which the Partnership could choose to implement, and results of all monitoring under the agreement would be shared with the community.*

Finally, the agreement requires that all data collected by the Partnership will be made public “in a way that is easily understood by the widest possible audience.” (The first document posted at the Partnership’s website was the agreement itself.)

The matter of the monitoring program’s independence from the company required careful consideration by both the Partnership and Rio Tinto. The Partnership signaled that it would not accept money directly from Rio Tinto to conduct monitoring, because this could compromise its independence and the community’s perception of its independence. The creative solution to this problem was to ask the 24-year-old Marquette County Community Foundation to step in as an intermediary to handle funds from Rio Tinto for monitoring— \$1.2 million in the agreement’s first three years—and pay them out according to the terms of the agreement. The foundation agreed to select a five-member oversight board— one from the foundation board, one appointed by the Keweenaw Bay tribe if and when it decided to participate, one with an environmental science background, one from mining, and the fifth from the community at large. This board would have final authority to settle any disputes between the Partnership and Rio Tinto over the monitoring agreement. Bob Cowell, the foundation’s longest serving member, handled that organization’s role in the negotiation: “The more I got into it, the more I realized how important this was. Both sides need it to work; they both have skin in this game.” He likens the role of the oversight board the foundation will create to that of a “parent.” If Rio Tinto and the Partnership “decide to fight, we put them in each corner, hear their stories, and then we decide.”

The Partnership also insisted on the right to monitor whatever environmental impacts it chose, period. This demand triggered serious discussions within the company. “It was, oh, this is really going to be independent!” Nish says. “The Partnership wanted ultimate discretion and the community foundation would be the umpire if there were disputes.” This was not a simple decision. Nish was proposing something that created risk for the corporation, a “wild card” that it would not control: Rio Tinto would be agreeing to give the Partnership, and through it, the community, the power to decide what to monitor—and it would be paying for the monitoring. “Critics could say that we have manufactured risk that we don’t have to have,” Nish explains, “that with more monitoring any non-conformance to environmental standards will increase the likelihood of citizen action against the mine. But the answer to that is that the community monitoring horse has bolted out the door of the stable and is already galloping” because of the community’s fears. “Additional monitoring will happen in one form or another. It will happen with people with plastic cups collecting water outside our gates or taking leaves off the trees and doing some sampling of them. The question is whether community monitoring happens in a scientific, managed way or happens in an unscientific chaotic way.” Rio Tinto decided to embrace the wild card, once the Partnership agreed to a set of typical standards for science-based monitoring with defined baseline data.

The Partnership also took chances—risking its reputation because, some might say, it is “sleeping with the enemy”; committing to implement a multi-year monitoring program; and taking on what board member Jerry Maynard calls “the delicate and tough task” of communicating with the community—“our biggest risk.” Rio Tinto shares the concern. “The numbers from the independent

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monitoring will be posted on line,” explains Kristen Mariuzza, the mine’s environmental and permitting manager. “There’s a chance that people will see all these numbers and not know what they mean, and they can make anything out of it. The public outreach is critical so people understand the numbers.”

In the end, though, the risk taking has been asymmetrical. Rio Tinto opened up the possibility of independent monitoring and agreed to most of the Partnership’s requests, because it wanted to build community confidence in the company. The company gave an outside local entity, the Partnership, the power to conduct environmental monitoring that goes beyond what public regulators require and perform, and agreed that all monitoring results would be made public. It absorbed the cost of additional environmental monitoring—a roughly 30 percent increase over what had been planned—into the mine’s cost of doing business. And it agreed to let another outside local entity, the community foundation, rule over any disputes between the company and the Partnership. In a nutshell, Rio Tinto gave the community some power over its work, because that was the best way to build confidence in the company. “Mining is disruptive and a new industry in town is disruptive,” Nish says. “Part of what makes the community manage that disruption is a greater sense of control. This agreement gives people a greater sense of control over the thing they are most concerned about.”

“Under this agreement, Eagle Mine sets up a program of environmental monitoring that is independent of the company. This Community Environmental Monitoring Program is controlled and run by the community organizations that are committed to the environment of the region. The workings of the program and the information it generates are open to public view.”

From “Community Environmental Monitoring Program Agreement,” page 4

Agreement clause 13 gives both parties the right to end the agreement, for any reason, with 60 days

notice. But should either of the parties that have joined hands now and taken a vow in the presence of the entire community decide to back out of the agreement, it will be highly public and will trigger interpretation and speculation community wide about what went wrong and why. Surely that would damage any credibility that Rio Tinto had gained through the agreement. “If they pulled out,” suggests the community foundation’s Bob Cowell, “they would get slashed and burned all over the world, not just in Marquette.”

VI. Journey

In mid-August 2012 the three organizations signed off on the monitoring agreement, which would take effect October 1. Adam Burley approved after consultations with other members of the Eagle Mine team, the company’s senior counsel, and the Copper Group leadership.

At the community foundation’s board meeting, Bob Cowell walked his colleagues through the agreement documents, explaining the role the organization would play—and why it should be involved. “Is there any better community group that could do this”—Cowell asks rhetorically—“that is relatively independent of most other influences?” Board chairman and funeral-home owner Mark Canale acknowledges that the organization is taking some risk: “But Rio Tinto is not going away and the Superior Partnership is known for its work. We had a chance to show the way a bit for the community, to lead. Hopefully the community will look at us as a truly neutral partner in the whole thing.”

At the Partnership’s board meeting, Carl Lindquist reminded his directors of the bigger stakes involved, showing them a 2009 map of the Lake Superior basin marked with more than 60 red dots for potential mineral explo-

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ration and mining. “This agreement’s structure,” says board chair Richard Anderson, “is an invention by the company and the community to build trust at a time that people distrust monitoring by the government and self-monitoring by the company.” Board member Pete Zenti, a retired doctor and grandson of a miner, summarizes the agreement’s value: “It’s an open opportunity for the community to contribute and challenge.”

A year or even a few months earlier, you could not have predicted that this convergence would occur. Too many unplanned things had to come together for it to happen. “Within Rio Tinto, the stars were in alignment,” says Jim French, director of health, safety, and environment at the mine. “I can think of any number of my peers in the organization who would have put as much effort into fighting this as I did into supporting it. We just happened to have the right mix of people.” Around the community, a web of trusting relationships—a local “social ecology”—had been built over the years and, when the independent-monitoring opportunity showed up, it quickly self-organized and delivered the competencies needed to work on the problem—environmentalists who knew the watershed and how to monitor; an attorney with experiences and skills in environmental regulation—and then influenced other decision makers in the community to buy into a risky, innovative approach.

All of this was unforeseen, but there was something of a pattern in how it unfolded, a general course by which people came to their converging judgments. “A learning journey,” Simon Nish calls it—for the company and the community. It can be seen most clearly in the path taken by Maura Davenport, the Partnership board member who opposed the mine and who also sits on the community foundation board. Twice that week in August, in both

board meetings, she advocated for the agreement and voted for it. “I’ve evolved from being in opposition to being educated on both sides and being part of a solution instead of fighting, fighting, fighting,” she explains. “I’m working to make Rio Tinto a partner in the community, instead of being the big bad guy.”

Jerry Maynard, the attorney on the Partnership board, reached a similar conclusion. As a member of the local chapter of Trout Unlimited he had been in intense meetings of mine opponents. “One was shortly after Rio Tinto said publicly it was willing to consider a community monitoring process. Everyone in that room—there were eight or nine organizations—said, no way in hell, we will never take a penny from Rio Tinto, because we know they are not sincere about this. It’s just a fig leaf. It’s just PR.” Maynard wasn’t against the mine—“I’m not anti-mine, I’m anti-bad mining. I’m an avid fly fisherman and I didn’t like the idea of the mine going in there, but I can’t say I’m against the mine if I’m using the products that use the metals, and I do.” His legal background and a Trout Unlimited study convinced him that Rio Tinto had the legal right to mine. “So right from the start, my attitude is, since there’s going to be a mine, let’s put our energy into seeing that it’s done right.” But he didn’t know if Rio Tinto could be trusted to do that.

A part of the learning journey was to become open to receiving new information about the situation. When Simon Nish acknowledged publicly that the mine had not done a good job in its community relations, the confession impressed Davenport. “He said the mine wanted to change its relationship with the community, and I had a lot of respect for that.” She visited the mine with other Partnership leaders and got a full-scale tour. “After visiting the mine and seeing how they operate,” she says, “I think

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VI. Journey

they want to make a real effort to be a partner in the community.” Others also started to see Rio Tinto in a new light. “Going to the facility was an affirming experience,” Anderson says. “It felt like a world-class mining facility. The place was pretty buttoned down and they had spared no expense doing it right.” Lindquist had a similar impression: “It’s definitely a state of the art, clean operation—but that doesn’t put all my fears to rest.”

Information and education were insufficient to resolve doubt and skepticism. At a certain point it became absolutely necessary to get to know the people involved—and judge their intentions and competence. As negotiations proceeded, Davenport liked what she found in the Rio Tinto team: “They have been listening to us. They respect our ideas, our opinions. It seems like they are sincere.” She had watched Simon Nish in meetings and bumped into him on the street. “He’s a mediator and he’s very good. I want to believe what he says.” And she noticed something else about “the other side”—“I feel they have more of a stake in our community than just making a mess and running away.” Mark Canale met Rio Tinto management socially. “I’ve come to know them through parties in town and through some of my associates.” He knows the husband of a Rio Tinto employee. “I have liked what I’ve seen and heard—the personalities of the people at Rio Tinto. They seem genuine and I enjoy being with them.” Jerry Maynard negotiated long and hard with Rio Tinto leaders: “The mine’s negotiating team has garnered my respect. For the first three or four meetings with them, I continued to have a high level of skepticism. But in a negotiation you develop a working relationship with the person sitting across the table, and we human beings are good at reading deceit in others. I could tell that Rio Tinto’s people were being forthright with us, that was my personal read, and they were committed to the agreement.”

Simon Nish also found that his relationship building with community members helped pave the way for Rio Tinto's agreement to hard-to-swallow proposals. Once it was suggested that the community foundation serve as an independent steward for the agreement, Maura Davenport introduced him to the organization's leadership. "As we were wrestling with discomfort around the independent structure," Nish says, "we were building our confidence in the community foundation board and the reasonableness of that board."

When Nish realized that the Partnership negotiators were quite serious about reaching an agreement, he advised Adam Burley that it was time to get to know them. "I told him, this might happen. You'd better meet them and build your own confidence in them, which he did." Burley, who joined Rio Tinto straight out of college about 10 years ago and is a rising star, tells a story about how he had gained assurance about the company's intentions. Given a job in the CEO's office, he'd worked with senior executives. "Once I'd been exposed to them and witnessed the same ethics and practices and the focus on safety and transparency that the company espouses, that gave me a lot of confidence in the organization. I went in as a believer, but you don't really know until you get into those conversations behind closed doors."

As learning, relationship building, and trust took hold, the people involved began to reach new conclusions about what they might do together and how to do it. Then they took responsibility for what they were feeling and thinking, by agreeing to take risks, putting their institutions on the line, and making it all subject to the judgment of their neighbors. Will others in the community be open to the news of the agreement, to the surprise of a Rio Tinto-community organization convergence? Will others

look at who's involved and decide they can be trusted, that they have acted in the community's best interest?

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VII. Adaptation

VII. Adaptation

Bob Cowell, the community foundation negotiator, has a vision of how success of the monitoring agreement could change the community, as well as ensure a well-run mine and mill. “If the agreement goes for the length of the mine’s life, it will be a continuing reminder to the community that you can do things differently than just argue and fight. And you’ll have a continuing pool of individuals from the community foundation, the Partnership, and the mine who are working together and can feed out their experience into other communities and other mines.” But the agreement is set to end in three years, on December 31, 2015, according to Clause 12(a), unless the parties extend it. The agreement states that the parties intend the community environmental monitoring “to cover the life of Eagle Mine, from construction to mining as well as closure and rehabilitation” and may renew it for “additional three-year periods to cover the life of the mine.”**

The hope, shared by Partnership and Rio Tinto principals, is that before three years pass parties, and the community, will want to stick with some version of the deal. But that probably won’t be decided by the same people who built relationships and arrived at sufficient trust and alignment to embrace the original monitoring contract. Some—perhaps many—of them will be gone by then. Burley and Nish, for example, will certainly have moved on to other assignments with Rio Tinto. “Management changes,” acknowledges the company’s Chantae Lessard. “Right now we have the perfect line of managers who have the same mindset. We want to make sure that everything we’ve done here is integrated into the future.” The mine itself will have

moved out of the development stage into the production stage. Meanwhile, the leadership of nonprofits like the Partnership and community foundation, which rely heavily on volunteer board members like Anderson, Canale, Cowell, Davenport, and Maynard, may change as well. Eventually the underlying rationales and principles in the agreement must be internalized and accepted by *institutions*, not just the players who came together in 2012. The agreement has to become, much as Cowell envisions, a part of the culture of the community, of the way things are done around here.

As the agreement moves from words on paper to actions in the field, and leaves private discussions to enter the public realm, something new will be happening. “There will be road bumps,” says Simon Nish. “We don’t know what they are, but we know they will come.” The big company and the little environmental group and the neutral foundation are in a relationship now, come what may.

Yet it seems safe to say that what’s to come will look a lot like what’s already been mastered once: there will be new information to take in, new people to get to know and trust, new choices to consider, new risks to take, and new responsibilities to shoulder.

For additional information:

Marquette Co. Community Foundation:
www.marquettecountycommunityfoundation.org/

Superior Watershed Partnership: www.superiorwatersheds.org

Eagle Mine: <http://eaglemine.com/>

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