



COUNTY ADMINISTRATOR'S OFFICE

PIMA COUNTY GOVERNMENTAL CENTER
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C.H. HUCKELBERRY
County Administrator

January 27, 2011

Christopher Clements, CEO
Golden Eagle Distributors, Inc.
P. O. Box 27506
Tucson, Arizona 85726-7506

Re: Your January 24, 2011 Letter Regarding the Proposed Rosemont Mine

Dear Mr. Clements:

Thank you for your letter. I appreciate your opinion; however, I disagree.

The Rosemont proposal is for a foreign corporation to extract the mineral wealth of Arizona and American citizens to satisfy, more than likely, international demand from our competitors. If the mineral were to remain a strategic national reserve in the Santa Rita Mountains for future extraction to meet the needs of this country, our position could possibly be entirely different. Rosemont proposes to extract our embedded natural resources to profit a foreign corporation, leaving our community with the resulting mess to clean up at our expense.

The jobs Rosemont would create are certainly positive, but there are better alternative job producers, given the devastating impact this mine would have on our natural environment.

I am enclosing a photograph of the physical, three-dimensional model being prepared to identify and allow public review of how Rosemont's proposed mining operation will impact the natural landscape of the Santa Rita Mountains. I certainly invite you and other interested parties to review this model when it is completed.

In addition, as I indicated, Rosemont will pay relatively little in taxes compared to those paid by other corporations in Arizona and our homeowners. The economics of this venture make little sense from a tax benefit perspective.

Mr. Christopher Clements
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The Roche expansion I discussed is a classic economic comparison. The economics of the Roche proposal are simple: the County and Arizona receive 500 new jobs, each paying over \$75,000 annually. Impacts are little, if any (less than eight acres on already developed land). The cost is deferring \$8 million in property taxes due the County. By comparison, Rosemont will employ perhaps 500 individuals at an average annual salary less than Roche, will permanently destroy 4,200 acres in a highly-visited National Forest and pay a fraction of the property taxes in proportion to the value of wealth extracted. This does not sound like a good deal to me.

Regarding investing in real infrastructure, the County is now investing almost as much in our wastewater system as it will cost Rosemont to open the mine.

I do appreciate your position and respect your opinion.

Sincerely,



C.H. Huckelberry
County Administrator

CHH/mjk

Attachments



Christopher W. Clements
CEO

Corporate Office

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January 24, 2011

Mr. Chuck Huckleberry
Administrator,
Pima County
130 West Congress Street, 10th Floor
Tucson, Arizona 85701

Dear Mr. Huckleberry:

Early last week, I attended with interest your address to the Breakfast Club of Tucson. I wanted to take the opportunity to respectfully echo the concerns of both Buck O'Reilly and Duff Hearon regarding the continued fallacy of the County's opposition towards the Rosemont Mine.

It seems elitist of Pima County to, on the one hand, advocate millions of dollars in property tax exemptions to a company like Roche in one of the wealthiest regions in the Tucson area; then, on the other hand, continue open opposition to a business whose capital outlays over several years far exceed even that of Roche.

Billions of dollars in capital investment along with salaries equal to those at Roche are part of the Rosemont Mine project. And, to further echo the comments of Mr. Hearon, it IS better to tap our country's own resources and foster our own employment than ship job opportunities to Brazil or Argentina. These are viable, well paying, good jobs for hard working Arizonans.

The supply-side effects of the Rosemont Copper Mine are well documented and the environmental concerns negligible at best. Pima County and its compatriots at TREO should end its political correct approach to economic development and begin to invest in real jobs and real infrastructure.

Cordially,

Christopher W. Clements
CEO

CWC

Anheuser-Busch Products

