

Upper Rio Grande Economic Development Council
January 11, 2011
Biggins Restaurant, South Fork, CO
Regular Meeting

The regular meeting of the Upper Rio Grande Economic Development Council (URGEDC) was called to order by outgoing president T.J. Brown at 7:00 a.m. T.J. introduced the new officers for 2011. They are President, Marty Asplin, Vice-President Shon Davis, Secretary, Robert Hagedorn and Treasurer Suzanne Benton. Mr. Brown then turned the meeting over to incoming President Marty Asplin.

Mr. Asplin then thanked T.J. Brown and Don Van Wormer for both men serving as President of URGEDC the last three years. President Asplin then asked for approval of the minutes of the December 14, 2010 meeting. Jim Clare made a motion to approve the minutes with a second by Don Van Wormer. The motion carried.

Treasurer's report was given with a balance of \$5,318.20 and billing for membership for 2011 has gone out. Mike Hurst made a motion to accept the treasurer's report with a second by Bonnie Asplin. The motion passed.

There was no unfinished business.

New business included a request by Donna Wehe for funds to help as cash match for other funding sources. The board of directors suggests a \$500.00 donation. Shon Davis stated he was in favor of the funding of \$500.00 with the consideration of more funding at the end of the year if URGEDC finances are in good order. T.J. Brown made the motion to approve the \$500.00 for the SBDC (Small Business Development Center) Bonnie Asplin seconded the motion, motion passed.

Mr. Randy McClure, a contract geologist, was introduced to give the main program on the silver mining in Creede.

Randy reported that Rio Grande Silver Inc. has partnered with Emerald Mining and Golden Mining LLC in a joint venture to form the San Juan Silver Mining joint venture. This venture covers 14 thousand acres above Creede. The land was put together in 2007 before the mining phase. The land runs from Creede to the Continental Divide.

Part of this includes Patented Mining Claims with both surface and mineral rights, some have Patented Mining Claims with only mineral rights and some is on Forest Service with only Unpatented Mining Claims.

In 2008, they started the 5 year plan of operations with this year having limited drilling permitting. They drilled two core wells to a total of 4840 feet into the Bulldog vein.

In 2009, there were five core drilling sites. Four of the five sites hit their targets.

In 2010, the five year plan was approved by the State of Colorado in June. There were 10 drill pad sites. With the final approval, they will do concurrent reclamation and a maximum 50 acres total of disturbed land, with 27 acres the maximum at one time. So they can build roads and well pads for new spots to drill while at the same time they must reclaim any sites they are leaving.

There were twenty-four core holes, from seven well pads. Nineteen of the twenty-four hit targets. Three of the twenty-four were lost with drilling problems. The deepest drill hole was 3,000 feet.

The drill pad spots are 100 feet by 100 feet, with zero discharge of any liquid. They are using NSF approved drilling fluids. It takes four to six weeks from drilling the core to results from analysis. One-half of the core samples are kept and one-half sent to Reno, Nevada for analysis.

Mr. McClure welcomes any groups or school groups to their offices to help educate folks on what the company is doing.

The five year plan will allow them to test all veins. So far, the findings are that there is at least 57 million ounces of silver resources in the mountain, and the company threshold is for 100 million ounces of resources to move forward. There are plans to possibly build a mill in Creede to mill the silver. All of this dependent on findings from the core drilling and testing phase as well as prices of silver and gold.

Currently full time employees total twenty four in the summer, and if business proceeds as hoped, that number will increase significantly. The budget for 2011 is approved for \$ four million.

Mr. McClure stated "the future looks bright" and has high hopes for a great resurgence of mining in Creede.

Monte Vista reported by Don Van Wormer that the city is busy. Governor Ritter's designation of Monte Vista as one of four in the state to be a "sustainable community" has helped the City to move forward. The Monte Vista Schools have a BEST grant for 27 million to build new schools, CDOT will redo the highway through the town in 2012 and the land exchange with the Schools and the town will help develop a new park at the intersection of Hwy 160/285 and Hwy 15. Mr. Van Wormer also reported the City is looking at a skate park in Montez Park, and moving the Kids Club to the basement of the Central Auditorium. He added lots of exciting things going on in Monte Vista.

Del Norte reports from Marty Asplin included the town is working on the contract for solar on all town structures, and progress at the old Coop potato warehouse. Nancy Schrader reported the Del Norte Chamber is working with the County to continue to keep the museum open and that there should be a large celebration with an item that is in the museum that will go to Korea in the spring. The event should gain Del Norte and Colorado some great attention. She also reported the hospital is growing with more doctors, and the Flight for Life with the new runway at the Del Norte Airport has really helped make that a life saver.

South Fork has a great ice skating park that has been well used, and locals as well as visitors are enjoying the skating.

Alamosa will have the Ice Festival this weekend with a theme of "Into the Wild." Several businesses are building in Alamosa including Mental Health, Carlucci's, Adams State and the Hampton Inn which is now open.

The county reported this morning is swearing in of newly elected officers. The County is working with local groups for a building at the Ski Hi park complex that may be located next to the McMullen building. The county wants to make sure this fits in with the master plan of the Ski-Hi Park. The Ag conference is February 8,9,10 at Ski-Hi park.

The next meeting will be February 8, 2011 in Monte Vista.

Don Van Wormer made a motion to adjourn with a second by Bonnie Asplin, all were in favor.