RESOLUTION NO. 2022-069

- RESOLUTION IN OPPOSITION TO THE UNITED STATES FOREST SERVICE'S FINDING OF NO SIGNIFICANT IMPACT FOR THE JENNY GULCH GOLD EXPLORATION PROJECT BY F3 GOLD, LLC
- WHEREAS, the U.S. Department of Agriculture, National Forest Service, Mystic District has given preliminary approval to F3 Gold LLC to explore for gold in the Rapid Creek watershed; and
- WHEREAS, the Common Council of the City of Rapid City has expressed its opposition to exploration and potential gold mining in the Rapid Creek watershed during a specified comment period; and
- WHEREAS, the Rapid Creek watershed and its connected aquifers are the sources for Rapid City's water supply; and
- WHEREAS, the City of Rapid City is a major owner of the outflow of the waters of the Pactola Reservoir; and
- WHEREAS, gold exploration could lead to gold mining, which involves the use of cyanide and other toxins and often leads to permanent acid mine drainage, which could go into Rapid Creek; and
- WHEREAS, the current city water treatment facility is not equipped to remove this type of chemical contamination from the drinking water supply; and
- WHEREAS, the Rapid City water treatment plant does not have the degree of real-time water quality monitoring that would alert operators to a spill or leakage event during exploration or subsequent mining; and
- WHEREAS, the Rapid Creek watershed, including Pactola Reservoir, is a major recreation and tourism area, providing significant revenue to Rapid City's economy; and
- WHEREAS, maintaining the quality and quantity of the water supply is of utmost importance to the City and to Ellsworth Air Force Base; and
- WHEREAS, objections on approval of the F3 Gold LLC Jenny Gulch project are due to the U.S. Forest Service, Mystic District, by August 22, 2020; and
- WHEREAS, the Common Council of the City of Rapid City believes that gold exploration in the Rapid Creek watershed poses an unacceptable risk to the source of Rapid City's drinking water.
- NOW THEREFORE, BE IT RESOLVED, by the City of Rapid City that due to the potential risk to the Rapid Creek watershed, the City's water supply, and the local economy, the City

expresses opposition to the Forest Service's finding of no significant impact and its preliminary decision to issue the permit to allow gold exploration in the Rapid Creek watershed.

| DATED this day of | _, 2022. |
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| | CITY OF RAPID CITY |
| Attest | BySteve Allender, Mayor |
| Pauline Sumption, Finance Director (seal) | |