From Rob Tikoft Omya Verpol Plant Manager



There has been much going on over the last several months, and I am pleased to share the news with you in our newsletter. Specifically, you will find information regarding:

- Tailings Dewatering Facility
- Community Issue Teams
- Section 5 Wrap-Up
- AEEA—what it is, and what we are doing about it

I have been in Vermont for close to five years now, three of those as the Plant Manager here at Verpol. My time in this position, however, is limited as in June I will be moving to a new position with new challenges. It has been a pleasure and a great learning experience working with neighbors and a talented and dedicated workforce in Florence. I hope to take that experience with me to my next assignment with Omya, so that we may achieve further good work and environmental progress throughout our whole operation.

We are in the process of identifying my successor, and want to ensure the next plant manager can continue the good works and progress with our community.

We welcome your comments and questions about our operation, and our door is open.

Thank you for the opportunity to work with you.



Highlights

Omya News

November 30, 2007: Act 250 application for Tailings Dewatering Facility approved by District 1 Environmental Commission. An amendment to include a site work blasting plan granted on January 28, 2008 and extended on March 13, 2008.

January 15: Draft Integrated Section 5 Report delivered to the State Legislature.

February 19: Final Section 5 Report and Appendices delivered to House and Senate Natural Resources Committees, House Ways and Means, and Senate Finance. (Article on Page 2)

February 25: Section 5 independent consulting team meets with community members and leaders at the Lothrop Elementary School at a meeting sponsored by the Town of Pittsford.

April 28: Commence installing the new groundwater monitoring wells in accordance with revised water monitoring plan and recommendations from Section 5 independent consultants.

Act 250 Tailings Dewatering Facility

In January, we received the Act 250 permit required for the construction of our Tailings Dewatering Facility. Grading and site work began in January in preparation for facility construction.

Once constructed and online, the facility will improve our water recycling efforts at the plant.

At a total project cost of approximately \$10 million, the Tailings Dewatering Facility will eliminate the current use of open settling cells, enhance water recovery from the tailings product, and improve the efficiency of overall operations. The dewatering facility will remove up to 95 percent of the water from the tailings within a controlled environment of tanks and equipment, returning the water directly to the main plant for reuse in the grinding process.

The dewatering facility not only will improve environmental performance by

Tailings Dewatering Facility continued on page 3

What's Happening

Omya Community Issue Teams

Almost a year ago, Omya partnered with interested community members to provide a forum for discussion about the company's impact—positive or negative—on the surrounding neighborhoods. The process was designed so that residents have a place to ask questions and voice their concerns, Omya employees can describe the operation, and together the group can work toward crafting answers. We hope the collaboration will ultimately improve the relationship between Omya employees and the local community, as all parties come to know each other better.

The Trucks and Transportation Issue Team has been up and running since June 2007. Together, the Team has examined and worked on issues such as: traffic speed along the Florence truck route, safety at railroad crossings, road washing for dust mitigation, directional signs to Omya, and the structural integrity of the Kendall Hill Bridge. The Plant Issue Team has been meeting since October 2007. Assessment and control of sound from the plant, water monitoring, storm water management, and the results of the Section 5 report are all topics this team has discussed. The third team, the Quarry **Issue Team**, which specifically reviews water quality, water quantity, and general Hogback Quarry operations, has met twice since December.

If you have any questions or would like additional information about Omya's Community Issue Teams, please contact Christie Harris—*christie.harris@omya.com* or (802) 770-7214. Detailed agendas and meeting notes from the Community Issue Teams can be found at *http://www.omya invermont.com/lib_it.htm*.

What's Happening

Section 5 Study Update

In June of 2005, the Vermont legislature passed a bill (H.532, Act No. 65, Section 5) that called for Omya to finance an

Issue Team in Action

Section 5 Recommendations and the Environmental Issue Team

We learned a good deal about collaboration through our participation in the Section 5 process, during which a diverse group of people worked together toward a tangible goal. In that case, the goal was the completion of an extensive, independent study on the potential impacts of calcium carbonate processing on human health and the environment. We are pleased both with the process and the outcome of the Section 5 study. While the overall outcome of the report is positive, we still have work to do with our community partners on the implementation of the study recommendations. In that regard, and with the initiative and concurrence of the Section 5 Oversight Team, we have engaged the Section 5 consultants to carry forward on the recommendations of the Section 5 report. Additional wells have been installed, the monitoring plan has been updated and submitted to the state, and further evaluation of our process is being undertaken to improve our performance and reduce our environmental footprint.

To that end, the newly formed **Environmental Issue Team** is a platform for continued collaboration regarding surface and ground water monitoring and tailings management. The team's focus will include the ongoing work related to the Section 5 consultants' recommendations.

We are pleased by the level of dialogue with community members thus far, and hope the new team provides another opportunity for interested people to work with us as we continually improve our operations. If you would like to participate in the Environmental Issue Team, please contact team leader Mike Laurent at 770-7568.

independent review of the potential environmental and human health impacts of its mineral processing of calcium carbonate in Vermont. We were at the table during the drafting of the legislation and we supported its enactment.

Process:

The Section 5 Study was overseen by a diverse group of people (the Oversight Team) that included immediate neighbors, the Agency of Natural Resources, a Pittsford Town representative, a State legislator, and other interested parties. We created the Oversight Team because we viewed the independent study as an opportunity to work collaboratively with people who have an interest in what we do.

The Oversight Team selected an independent team of scientists and engineers from Cambridge Environmental Inc. and Geosyntec Consultants, Inc. to conduct the Section 5 Study. The final report was delivered to the legislature on February 19 of this year, which kicked off a series of meetings both in the community and in legislative committees.

The report of the Section 5 Study overall is positive, and the primary findings are that our operations in Florence currently pose no threat to human health or the environment and future threats are minimal.

There remain some residual issues that we are working to address. These are:

AEEA: Aminoethylethanolamine is a small component of our flotation reagent. Through the Section 5 process, the presence of AEEA was detected in ground and surface water on the Verpol site and Crusciel Spring, a non-drinking water source. The detections are sporadic and pose no threat to human health or the environment. As described by the independent Section 5 consultants, AEEA is the chemical of

greatest potential concern because it is water soluble and environmentally mobile, although it appears to biodegrade relatively rapidly. Upon learning of detections of AEEA, we redirected water from a key Tailings Management Area (TMA) directly back to the plant's flotation system, which has resulted in diminishing levels of AEEA in recent samples.

In addition, we are working collaboratively with flotation reagent suppliers toward the goal of significantly reducing the amount of residual AEEA in the flotation agent. So far, we have achieved a 50 percent or greater reduction of the component in the flotation reagent. We also are investigating other possible changes to the flotation process that could eliminate altogether the presence or need for the use of AEEA in the formulation of the flotation reagent we use.

Groundwater / Surface Water: As has been reported, we are monitoring for many compounds in the water beneath and surrounding the plant site. While the water is within regulatory standards, levels of certain substances necessitate ongoing monitoring. Again, we are committed to the environmentally responsible conduct of our operations in Vermont and elsewhere and we will continue to monitor groundwater and surface water quality and take appropriate actions if warranted. Results of our environmental monitoring program are posted regularly on our website at www.OmyalnVermont.net

Sound Levels: The basic operation of Verpol creates sound levels that are unacceptable to some of our neighbors. While we are not in violation of any noise standards or regulations, it is our responsibility as a good corporate citizen to do all that we reasonably can to minimize the impacts of our operations. We already have taken a number of actions to reduce sound levels, and currently we are undertaking a detailed sound level study of Verpol and investigating both short- and long-term measures to further reduce sound emissions.

We have addressed, and will continue to resolve, issues with our neighbors and other key stakeholders going forward.

The Section 5 Study has been a valuable process: one that has resulted in a new level of cooperation and mutual understanding between Omya, our neighbors, and the community in which we operate.

Tailings Dewatering Facility

continued from page 1

directly recovering most of the process water, but it also will improve handling characteristics and thereby increase the potential for commercial use of the tailings product. In addition, the elimination of diesel-powered heavy equipment that periodically excavates the current settling cells will reduce impacts to air quality and noise.

We expect to complete the facility and bring it online next year. Until then, our tailings management practices will continue utilizing our current procedures and the monitoring plan approved by



the State. For more information about the Tailing Dewatering Facility project, please contact Omya's Mike Laurent, (802) 770-7568, or visit www.Omyaln Vermont.net/em_tailmgmt.htm

We Hear You Newsletter

Thank you to the twenty-four households who took the time to fill out and mail back the reply cards from our Fall edition of *Inside Omya Vermont*. Your feedback is important and valuable. Thanks for allowing us to respond to your comments, and hopefully you'll come to see us.

Here's what we asked: **Do you find the articles to be informative?** Here's how you answered: 23 people marked "yes" and one person did not mark "yes" or "no". Additional comments included:

"I'm so glad you are with us!!" Thanks, we are glad to be here too

"I appreciated learning that the ground water is being tested, but would like to know what is being done to improve water quality." *Great question. We have provided some information above and expect to continue to do so on our website and in future editions of Inside Omya.*

"Very well done. A lot of information." Thank you. There is a lot of information to pass on!

"Interesting info. about blocked rail crossings and the findings." We thought so too. This was a learning experience for us as well and we look at the experience as an opportunity for improvement.

"Some of them [articles] sound more like ads for Omya (self-promotion). I liked the ones that talked about problems, but I wonder how open you're really being with us." Thank you for your candor. Please consider joining one of our Issue Teams —opposite page—as this is exactly the type of dialogue we are looking to establish.

We Hear You continued on back page

We also asked: What other things can we do to keep you updated and informed? Your responses:

"Because of Omya's importance in our area, 'Inside Omya Vermont' keeps residents up to date. You're doing a great job!"

Again, we thank you but there is always room for improvement!

"Please think about forming a committee with Pittsford residents to improve communication and relations —Why should such a small number of dissenters determine policies and decisions like the recent Act 250 process?!"

Thanks for the suggestion. We think the Issue Teams fit the bill. If you think there are other ways or if you'd like to join, please contact Christie Harris 770-7214

"Offer more trips and displays in the community."

How about a tour at the plant? We regularly host plant tours. Please contact Mary-Kaye Macaulay at 776-8615 to arrange a time.

"Hold informational meetings in the village in the daytime." The suggestion is very helpful feedback. We'll work on something for the near future. "When discussing 'community issues' assume residents know very little state perceived problem and findings in very simple language." We will work to improve the readability of future articles. Let us know how we are doing! Christie Harris 770-7214

"Keep us informed on problems found <u>and</u> solutions. Address rumors of plant closure in Florence." *Again, this is helpful feedback. We hope the Issue Team forum may offer answers to your questions and work to create solutions. As for rumors that Verpol is closing...that simply is not true. The Verpol facility is one of our most important plants in North America. We continue to make substantial capital investments in the plant and in our people, and we are working actively with state regulators to maintain our regulatory compliance. We are here to stay.*

"Open house at your plant." How about an individual or group tour? We have conducted a few open houses, and realized that more people were coming to group and individual tours than ever came to a one day open house. Groups of one, or groups of 10. You name it, we'll set it up.

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Do you have an issue or concern? **Omya wants to know.**

e have a Community Feedback Line (802) 770-7644 for ease in letting us know your comments or concerns. The line is monitored daily, and we promise to return your call within 24 hours. Another way to submit comments about our operation is through our website at: http:// www.omyainvermont.net. During business hours, you may also call Mike Laurent, Environmental Manager at 770-7568; Mary-Kaye Macaulay, Verpol Administration at 776-8615; or Christie Harris, External Affairs at 770-7214.



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