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Organization: Park City Public Schools District #5

Title: Superintendent

Comments: PARK CITY SCHOOL DISTRICT NO. 5

STILLWATER COUNTY, MONTANA

DATE: July 16, 2026

TO:

Mr. Matt Jedra, Forest Supervisor

Custer Gallatin National Forest

P.O. Box 130, 10 E Babcock Ave

Bozeman, MT 59771

Mr. Eric Dahlgren, Chief

Montana Department of Environmental Quality: Mining Bureau

P.O. Box 200901

Helena, MT 59620

SUBMITTED VIA PORTAL: USDA Forest Service CARA Portal - Project #296522 / Plan ID: 68998

RE: Joint NEPA/MEPA Public Scoping Comments - Unmitigated Cumulative Socioeconomic and Infrastructure Impacts to Park City School District No. 5 (Stillwater Mine Complex Amendment 14 EIS, Project #296522)

Dear Mr. Jedra and Mr. Dahlgren:

On behalf of the Board of Trustees of Park City School District No. 5 (PCSD #5) in Stillwater County, Montana, we submit these formal scoping comments for the joint NEPA/MEPA Environmental Impact Statement (EIS) regarding the proposed Amendment 14 to the Stillwater Mine Plan of Operations (Operating Permit No. 00118). Sibanye-Stillwater is proposing a major expansion of its waste rock storage and underground operations at the Nye site, extending the active life of the Stillwater Mine Complex by an estimated 36 to 42 years. This proposal effectively locks in the mine's presence in our region into the mid-2060s. Under both the National Environmental Policy Act (NEPA) and the Montana Environmental Policy Act (MEPA), a project of this scale and duration legally demands a rigorous, forward-looking evaluation of cumulative socioeconomic impacts on local public infrastructure.

For nearly three decades, the localized tax mitigation framework has completely isolated PCSD #5. Our local taxpayers have been left to carry 100% of the educational, facility, and transportation costs associated with the mine's regional workforce. We receive zero matching tax mitigation.

The Board requests that the forthcoming EIS fully evaluate, disclose, and mandate structural mitigation for the unmitigated cumulative strains detailed below.

1. The Fallacy of Obsolete Socioeconomic Baselines

The socioeconomic assumptions embedded in the current 1998 Nye Hard Rock Mining Impact Plan are fundamentally detached from the modern economic reality of Stillwater County:

Distorted Home Valuations: The 1998 mitigation formulas projected local infrastructure impacts using a baseline average local home value of just \$70,000. This deflated figure bears no relation to today's real estate market, actual tax assessments, or the acute inflationary pressures borne by property owners within our school district.

Underestimated Workforce Scale: The 1998 Plan assumed a maximum operational cap of 700 Nye Mineral Development Employees (including contractors). In reality, that workforce footprint has peaked above 1,700 employees. This massive, unmitigated population expansion represents decades of cumulative demographic strain that our classrooms and transportation budgets have had to absorb without a dollar of mitigation.

2. Systematic Exclusion from Multi-Tiered Revenue Allocations

Under Montana law (§ 90-6-301, MCA), large-scale hard-rock developers are legally obligated to pay all increased capital and net operating costs incurred by local government units and school districts as a result of their operations. Yet, due to local political bottlenecks, PCSD #5 remains entirely locked out of the three primary financial safety nets established to protect public education:

The County Hard-Rock Mine Trust Reserve Account (§ 7-6-2225, MCA): Stillwater County's trust reserve

currently holds over \$12.7 million. Upon a triggering event-such as a mine closure or a 50% workforce reduction-county commissioners must allocate at least one-third (33.3%) of this trust directly to school districts officially designated as affected. Because Park City was excluded from "Affected Status" in the baseline plan, our district is currently slated to receive 0% of these protective safety net funds, leaving our taxpayers completely exposed to the fiscal cliff of an eventual mine closure.

Annual Metal Mines License Tax Allocation: Ongoing annual tax distributions are split among designated "Affected Government Entities" in Stillwater County, completely bypassing PCSD #5.

Property Tax Base Sharing (§ 90-6-401, MCA): The District receives no portion of the property tax base generated by the specialized industrial assets of the mineral developer (such as the Nye Surface Facilities and the Columbus Smelter). As verified in Exhibit 24, PCSD #5 serves 13% of the county's total mine-impacted student population yet receives 0% of the Metal Mines Tax distribution. Meanwhile, neighboring districts receive substantial annual distributions (such as Columbus, which absorbs 62% of the student population but claims 73% of the tax distribution), leaving Park City taxpayers to shoulder the entire financial burden alone.

3. Formal Incorporation of Evidentiary Exhibits (Exhibits 1-24)

To establish a clear and undeniable record of these impacts, the Board formally incorporates into these comments Exhibits 1 through 24 of the public scoping submission entered into the regulatory record by Park City resident Dusty Weber on June 30, 2026. These exhibits provide clear, documented proof of our structural exclusion:

A History of Unresolved Grievances: Exhibits 3, 5, 8, and 10 document the District's persistent, multi-year attempts since 2021 to resolve these issues through cooperation with Stillwater County and the Hard-Rock Mining Impact Board. The record shows our requests were systematically dismissed or stonewalled, despite clear evidence that our student counts met the necessary funding triggers.

Direct Enrollment Verification: Exhibit 4 contains verified email correspondence from Sibanye-Stillwater management explicitly confirming that a substantial, continuous student footprint residing within Park City's boundaries belongs directly to the mine's workforce. This completely refutes the low employee counts used in legacy assessments.

Compromised Local Appraisals: Exhibits 12 and 13 expose the fundamental bias of the May 2024 JBeau Consulting (John Beaudry) report, which was commissioned by the county as a "neutral third-party assessment." The record demonstrates that Mr. Beaudry was historically a primary architect of the contested 1998 allocation plan and later served as a public spokesman for the mine-disqualifying his findings and proving that local administrative processes are structurally compromised by conflicts of interest.

Empirical Distribution Disparities: Exhibit 24 details the severe, documented mismatch between the local student distribution and the actual flow of Metal Mines Tax revenues, serving as baseline mathematical proof of a severe, localized revenue disparity.

4. The Evidentiary Double Standard of "Affected Status"

The EIS must recognize that the historical argument used to justify Park City's exclusion-demanding microscopic, historical proof of "legally relevant in-migration"-constitutes a punitive double standard:

Projections vs. Audits: The school districts granted affected status in the baseline 1998 Plan were admitted based entirely on theoretical regional hiring projections and generalized models. They were never required to provide verified historical address mapping or real-time residency audits.

The High Burden on Park City: Park City, possessing 30 years of hard, empirical historical data demonstrating severe fiscal disparities and direct student impacts, is being held to an exclusionary standard that was never applied to the original baseline districts. It is inherently inequitable to hold Park City to a restrictive standard of "legally relevant in-migration" when the baseline entities were never subjected to such forensic scrutiny to capture their funding streams.

A Purely Forward-Looking Framework: While the District's previous 2023 Amendment 3 petition sought retroactive compensation for past structural omissions, our current position is strictly and explicitly forward-looking. We have formally foregone all assertions regarding historical remediation; we are looking simply to the future of our children, our instructional staff, and our local taxpayers as this 42-year expansion moves forward. Furthermore, we reject any claims of local jurisdictional hurdles; as documented in the county's own correspondence dated October 24, 2024 (and corroborated in Exhibit 9), the County Commissioners have

explicitly acknowledged that they hold the sole legal authority to initiate this amendment. The bottleneck is entirely a matter of local political will, not legal feasibility.

5. The "ANB Financial Gap" and Enrollment Volatility

The EIS must analyze the structural operational deficit-the "ANB Financial Gap"-imposed on the District during mineral development expansions. This gap is directly caused by:

Immediate Marginal Costs: Sudden influxes of mineral development families require immediate operational expenditures, such as hiring certified teachers, adjusting bus routes, and purchasing classroom materials.

State Aid Dilution: Montana's Average Number Belonging (ANB) funding formula decreases per-pupil state support as enrollment climbs, failing to scale with the actual marginal costs of new students.

Lagging Property Tax Revenue: Local property tax assessments take 12 to 24 months to catch up to new residential growth, leaving the District to carry immediate education costs with a severely delayed local tax stream.

Enrollment Volatility: Furthermore, the EIS must analyze the severe budgetary instability caused by rapid shifts in mine operations. For example, District tracking documented an enrollment spike of 38 mine-related students during the 2023-2024 school year, which sharply reversed into an immediate out-migration cliff by the 2025-2026 school year due to mine layoffs. These sudden, unmitigated contractions expose small districts like ours to destabilizing budgetary cliffs, directly validating our requirement for protective inclusion in the County Hard-Rock Mine Trust Reserve.

To further verify and refine these enrollment footprints for the purpose of this public scoping process, the District formally requested updated workforce residency data from the mine on July 9, 2026, in a letter addressed to Ashley Chancellor, Sibanye-Stillwater's Environmental Compliance Officer. While this current dataset has yet to be received as it undergoes internal administrative review, our historical metrics undeniably demonstrate the immediate and severe impact of the mine's operational fluctuations on our classrooms.

6. Unanalyzed Strains from Corporate Busing and Housing Policies

The EIS must evaluate how specific, mine-sponsored operational directives systematically displace public infrastructure burdens onto outlying communities like Park City:

Forced Busing and Transportation Stipulations: Mandatory employee busing and carpooling requirements encourage workforce personnel to find residential housing in the eastern portions of Stillwater County. Park City's proximity to larger dual-income employment hubs (Laurel and Billings) makes it a prime residential destination for these families.

Corporate Housing Restrictions: Mine-sponsored housing caps and restrictions near the immediate project site artificially limit local residential growth in the western high-impact zones, systematically forcing long-term workforce housing demands onto the Park City community. The cumulative traffic, wear-and-tear, and student transit costs associated with these corporate policies have never been evaluated under NEPA/MEPA.

7. Mandated Mitigation Measures and Scope of the Final EIS

To satisfy the statutory requirement to evaluate and mitigate socioeconomic impacts under NEPA and MEPA, the Board of Trustees requests that the joint lead agencies mandate the following mitigation measures in the Final EIS:

A Clean, Third-Party Workforce Data Audit: Require Sibanye-Stillwater to fund and participate in a comprehensive mapping of worker residential addresses against school district boundaries to resolve long-standing demographic and enrollment data discrepancies.

Condition F Trigger Evaluation: Evaluate the demonstrated revenue disparity of PCSD #5 under Condition F of the 1998 Plan to assess whether the operational strains on the District exceed current local resource allocations.

Property Tax Base Sharing Act Implementation (§ 90-6-401, MCA): Require an analysis of the structural tax base of individual school districts (including localized tax base size, tax base per student, and mill configurations) to allocate a portion of the mine's property tax base to PCSD #5. This is necessary to permanently stabilize our bonding capacity, relieve local homeowners, and support upcoming long-term facility modernization.

Mandated Impact Plan Amendment: We request that the resulting Record of Decision include a specific directive requiring an amendment to the Nye Mineral Development Impact Plan to formally add Park City School District No. 5 as an Affected Unit of Local Government.

Conclusion

Given that the proposed Amendment 14 locks in industrial mining operations for up to 42 more years, advancing environmental approvals using workforce, housing, and socioeconomic baseline metrics that are 28 years out of date would be arbitrary and capricious. The joint lead agencies must mandate a comprehensive socioeconomic overhaul that formally mitigates the severe infrastructure and tax strains borne by Park City School District No. 5. Thank you for your rigorous attention to compliance, data accuracy, and community equity during this public scoping phase.

Sincerely,

David Whitesell, Superintendent

Park City School District No. 5

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