



May 2018

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## What awaits on the Nugget Trail?

By Sherri Davis

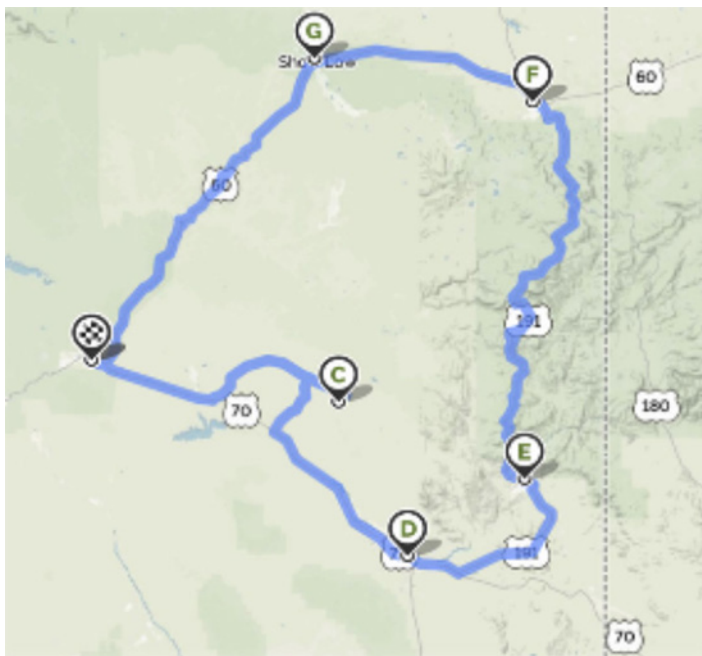
The Nugget trail is full of possibilities and exploration. It encompasses five counties, several towns, back roads and byways just waiting to get your attention.

The Nugget trail is a loop and should be enjoyed over several days to get the most benefit, as there are numerous stops along the way and several lookout points that definitely make for a good photo op on your smart phone or camera.

Your adventure starts in Globe, where you can visit the ancient Indian ruins of Besh Ba Gowah, take a tour of the historic 1910 jail (where ghost sightings have been documented), and indulge in some great tasting Mexican food.

From Globe, you have your choice to take the Nugget trail in two different directions. If

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## Will Lone Star be another Morenci?

By Gary Dillard

Freeport McMoRan Inc. will be spending \$850 million to develop the Lone Star mine near Safford, which will be producing 200 million pounds per year, at a cash cost of \$1.75 per pound, by 2020.

A new exploration drilling program, with some “very attractive intercepts” at Lone Star, “is pointing toward a mineral system that could well be consistent with the nearby Morenci mine,” Richard Adkerson, Vice Chair-

man, President and Chief Executive Officer, told analysts during a presentation April 24. “It could well be that large.

“It’s a great indication of the

### Opportunity Zones

Greenlee County has not one but two Opportunity Zone designated areas

It means that investors will get major tax breaks for long term investments in businesses in these zones.

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future of our company right here where we have existing operations, in a community that is supporting of us.”

Adkerson also elaborated on problems facing its behemoth Grasberg operation in Indonesia that could severely reduce output there in the short term.

Prestripping at Lone Star got under way in the first quarter on what he called “a very profitable, high-return  
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**DEVELOPMENT**

# Home-buying choices in Greenlee

By Ákos Kovach

This is a story about Billy Joe and Bobbi Sue – a newlywed couple with a lot to do. They wanted to settle down in their own home but didn't know what to do. They read an article in the Clarion, by our County Engineer, and decided to make a shopping list to get their best deal. They wanted to avoid a great big hassle.

The first column on their shopping list was safety features, next came convenience features, the third column was materials used. A pretty good start indeed.

They expanded their shopping list with three headings: Manufactured, Modular, Site Built. This shopping/comparison list was getting better by the minute. Next they added pricing and costs. Now their list was complete, at least for them.

Calculating their ability to make a monthly mortgage payment and factor in utilities was not so difficult. And just about all the mortgage brokers and mortgage bankers in this area are streamlined to calculate all these factors plus homeowners insurance, etc. After they considered all the facts, compared costs, appreciation versus depreciation they decided to buy a modular home core and added on their own extra features, a wrap-around porch and an extra bedroom.

The good news is there are buying solutions available for everyone.

Here in Greenlee County there are now six active, qualified site home builders, and soon a modular home builder will be here as well.

With new homes going up in York Valley near the golf course as well as homes coming in the Loma Linda area, things are looking up for the buying public. If you have questions please contact us at 928-865-2072.



## Manufactured homes have evolved

By Philip Ronnerud  
Greenlee County Engineer

Let us tell you about manufactured homes built prior to 1976.

These outdated and often unsafe homes have given factory built housing a bad name.

Because only limited standards were in place, the pre-1976 homes were often built using the least expensive materials and assembled by the lowest priced labor available. Two-by-two walls with no insula-

tion were typical. Aluminum wiring and small amperage electrical boxes were common.

The thin metal siding retained heat and thus made living inside very uncomfortable. In short without extreme maintenance measures, these pre-'76 manufactured homes depreciated rapidly similar to a cheap cars. The early homes were "disposable." Yet, many of these units can still be purchased and sadly some are still occupied.

### Quality increases

Going forward, after 1976 improved codes were adopted, quality and safety standards increased the livability of factory built homes.

Setup standards were estab-

lished to protect owners and occupants from the effects of wind and high water. Double- and triple-wide units came onto the market, offering a new array of features and options. Units with six-by-two construction that are very energy efficient became available for a premium.

But even these newer units often continued to suffer from use of inexpensive materials and assembly by unskilled labor and from bland appearance. Always ask about the materials used during construction.

Comparing manufactured homes to site-built homes is not a difficult process. Also the advent of modular construction has added a new dimension to the choic-

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**DEVELOPMENT**

Comparing manufactured homes to site-built homes is not a difficult process.

# 4 new businesses in Greenlee

What is one of the best indicators of a healthy, vibrant business environment? New businesses opening up!

And Greenlee County has seen 4 recent new businesses start operations: 1 in Duncan, 1 in Clifton and 2 in Morenci.

Here they are:

The **Sweet Corner** in Duncan

Hours 6:00 AM - 3:00 PM

(928) 359-2665

113 Old West Hwy. (24.89 mi)

Duncan, Arizona 85534

<https://www.facebook.com/The-Sweet-Corner-342750046234140/>

ProTalk Speech Therapy LLC  
- (520) 440-7857

[https://www.eacourier.com/copper\\_era/news/greenlee-county-welcomes-pro-talk-speech-therapy/article\\_fdb4d82e-4765-11e8-9dc7-fb7b0814f499.html#utm\\_campaign=blox&utm\\_source=facebook&utm\\_medium=social](https://www.eacourier.com/copper_era/news/greenlee-county-welcomes-pro-talk-speech-therapy/article_fdb4d82e-4765-11e8-9dc7-fb7b0814f499.html#utm_campaign=blox&utm_source=facebook&utm_medium=social)

e-mail at [protalkspeechtherapy@gmail.com](mailto:protalkspeechtherapy@gmail.com)

Taqueria Sarap, (Taco Shop in Spanish – Sarap - Delicious in Filipino.) This new business is expanding already – located as the first business coming down the Horseshoe from Morenci into Clifton on Highway 191. It is located on the right and the first day they will be open will be on their new patio. Thursday May 3! Stop by and welcome Richard Reeves to our community. Call ahead – 520-270-0048. Taqueria Sarap will also have a drive through lane. They will also be serving up tacos' at the Cinco de Mayo event



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## Businesses . . .

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at the American Legion Open every Thursday & Friday <https://www.facebook.com/Taqueria-SARAP-1426585977395935/>

Miner's Diner & Bar in Morenci is at 106 Plaza Loop: check out <https://www.facebook.com/The-Miners-Diner-Bar-212269152705370/> (928) 865-3900

It is hosting dances May 4 and 5. No cover. 21 and over.

The diner serves breakfast, lunch and dinner.



## Evolved . . .

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es offered to home buyers.

Site built home techniques have been perfected over many, many years. Codes have also been improved. Better builders have learned how to construct homes that last and are substantial. For that reason, modifications are easier to accomplish.

Because of these and other differences, site built home are known to appreciate in value. The more expensive, newer manufactured homes may also see some appreciation.

Older manufactured homes often depreciate unless they happen to be on a valuable land. Money spent on the older manufactured homes is like paying rent.

Your payments see little if any return. A well maintained site home is an investment that grows. The site built home lasts longer.

Newer trends in the

housing industry are blurring these distinctions. Modular homes or core units containing all the plumbing and mechanical components are being offered. These core units are brought to the site and then living areas are added. This process reduces time and increases value while provided price advantages. This is the best of the manufactured and site home combined! The modular homes are shipped to the site and assembled on a fixed foundation. Site homes and modular quality are very similar.

### Other trends

Other trends include mini homes and higher density homes. Both are an attempt to create affordable dwellings and come in site built and manufactured flavors. Zoning codes and building codes have struggled to keep up the innovation.

Partly in response, Greenlee County has restricted manufactured homes in one district (SR) to units less than 10-years old. Other districts remain open. The

Veterans Administration, for example, requires a fixed foundation on all dwellings using VA mortgage money. Further Arizona now restrictions on the setup of manufactured homes to licensed companies.

Ultimately the market dictates what happens with factors such as safety, quality, and economy having more importance than in previous decades. There are many choices and taking time to understand the dynamics should be an important factor when building or buying.

## Opportunity . . .

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The Arizona Commerce Dept. is working to get clarity from the US Dept. of Treasury and the IRS regarding how Opportunity Funds will have to be structured and how they will be certified. We will publish what types of investments are permissible; how tax breaks will be administered, etc. Please stay tuned—we will share whatever we learn!

# Lone Star . . .

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project.

“Importantly,” he added, “it will strip this oxide and waste layer from this area, exposing an increasingly attractive sulfide deposit.”

FCX will be spending \$220 million at Lone Star in 2018 and another \$370 million in 2019, with production getting under way in 2020. The mine will use the production infrastructure and facilities at Safford, some seven miles away, which now has available capacity for oxide ore, Adkerson said.

## 20-year mine plan

While the current mine plan is for 20 years at 200 million ppy and includes a reserve of 4.4 billion pounds of copper, Lone Star has the potential for much more. The accompanying chart from the company’s presentation shows that of the 257 billion pounds of potential copper at its properties, the largest share is at Lone Star.

The anticipated cash cost of Lone Star’s copper, at \$1.75 per pound, is in line with that figure at other North and South American mines in the recent quarter, company numbers show, where they averaged \$1.74. Company-wide, the consolidated costs were reduced to \$0.98 by the exceptionally high gold credit at Indonesia, which brought that operation’s costs to a negative \$0.63.

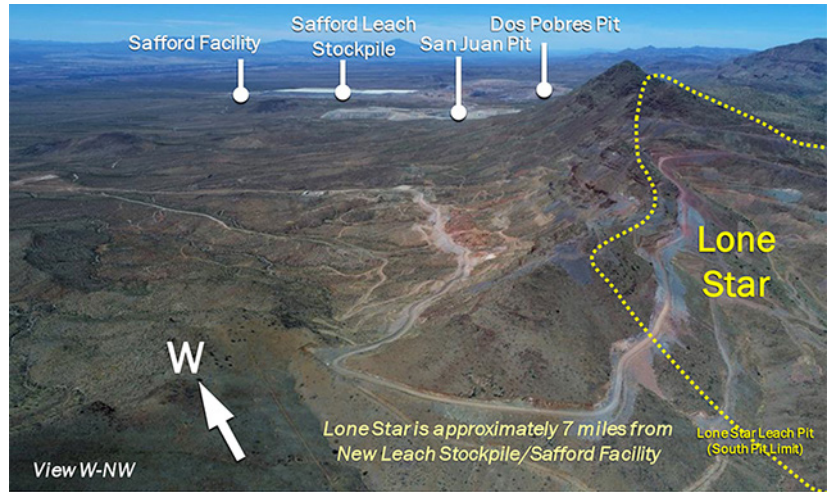
FCX realized \$3.11 for each pound of copper it produced in the first quarter.

As can be seen from the chart at bottom right, FCX has extensive opportunities in the United States and in South America.

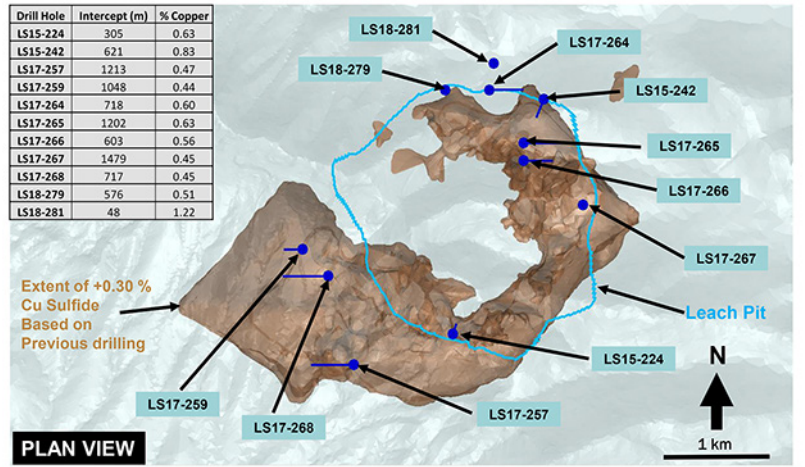
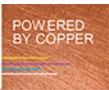
“This is low-risk development,” Adkerson told analysts.

“We’re doing trade-off studies now” to determine where to start in expanding production at existing operations.

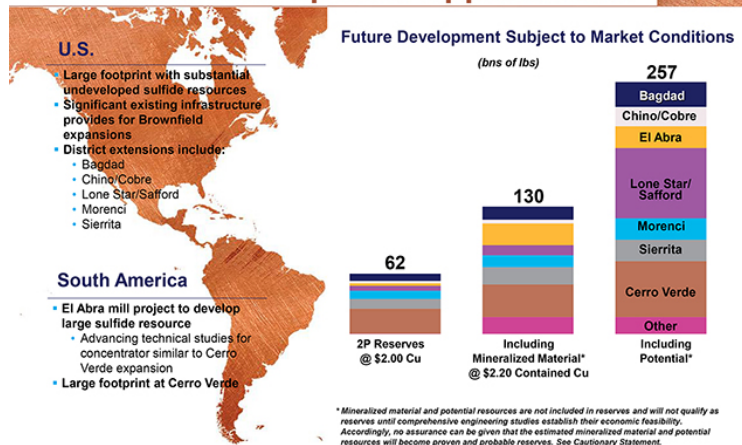
One of the properties that has additional potential is the flagship Morenci operation.



## Recent Lone Star Intercepts



## Americas Development Opportunities



\* Mineralized material and potential resources are not included in reserves and will not qualify as reserves until comprehensive engineering studies establish their economic feasibility. Accordingly, no assurance can be given that the estimated mineralized material and potential resources will become proven and probable reserves. See Cautionary Statement.

# What is the Nugget Trail?

By Ákos Kovach

Several years ago a group of elected officials and the director of the Graham County Chamber began to collaborate on how to best get included in the Copper Corridor Magazine.

There were members of the Board of Supervisors from both Graham and Greenlee Counties that traveled to Colorado to tour the String of Pearls, a collection of communities that banded together to promote themselves as river front communities.

This led to the inclusion of an ad in the Copper Corridor but soon after the Graham chamber director left and the idea has lingered until now. And now we also have reason to be hopeful that a traveling road program about the Nugget Trail will boost in-

terest in the Silver City area, as well as Bisbee. The Bisbee outreach effort will also extend an invitation to the Grupo México Copper mine in Cananea.

It is exciting to consider the possibilities such an inclusive undertaking could produce. Copper is the backbone, and where there is copper there is also silver and gold. These are the nuggets of our history, our past, present and future.

How will we manage this Nugget Trail? That remains to be seen. Suffice to say that in coming months as the Nugget Trail Road Show invites various business, community and elected leaders to the table and find out what this sort of regional branding could mean to us all.

Stay tuned to the *Clarion*! We deliver news.

## Nugget Trail . . .

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you take Highway 60 going towards Show Low, you will travel through the breathtaking Salt River Canyon, which is named the “mini Grand-Canyon” for obvious reasons, and eventually end up in Navajo County, where you’ll discover the towns of Show Low, Lakeside and Pinetop. Surrounded by beautiful pine trees, crisp cool mountain breezes, several hiking trails, lakes, and fishing, you may feel as if you found a small piece of heaven as you overlook the Mogollon Rim.



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If, however, while in Globe, you decide to try your luck at the Apache Gold Casino, then you’ll want to continue your Nugget trail adventure on Highway 70 through the San Carlos Reservation to Safford, where you’ll find natural hot springs, lakes, hiking, and off-road adventures hidden throughout Graham County.

In the distance is the majestic Mount Graham, where astronomy buffs can tour the international observatory. Either way, your goal is to get to Highway 191, the Coronado Trail.

This scenic drive connects the copper min-

ing town of Clifton to the small town of Springerville, located in the White Mountains. The Coronado Trail is not for the faint at heart, and is 123 miles of hairpin turns and steep cliffs with gorgeous panoramic views and a beautiful stay at Hannigan Meadow Lodge.

The Nugget Trail mentioned here is just the beginning, as with any gem, a nugget can take any shape, making it a beautiful piece of art.

Stay tuned for the next newsletter as we discover the other shapes of the Nugget Trail, and continue with our adventurous travels on the road.

# DreamBuilder

## Graduation



The 2017-2018 Class of DreamBuilder graduates will take place May 16 at 6:30 p.m. at the Blue Door Sanctuary. For more information, contact Charmaine Chidester, Business Counselor, Eastern Arizona College Small Business Development Center, (928) 651-3673.

## USDA website for rural development

The U.S. Department of Agriculture Rural Development (USDA-RD) has launched a [new website](#) designed to engage the public on issues impacting rural America.

An interactive feature allows comments to be submitted to Rural Development Innovation Center staff to review and consider in further agency actions and objectives.

The website also highlights resources available to aid e-connectivity and community health among other issues.

## Quality of life survey

The Greenlee County Tourism Council is conducting a "quality of life" survey to determine what is most needed to make life better in the region.

It asks questions such as which entertainment or retail facilities you would most appreciate having, and how often you would likely use them.

Choices for entertainment, for example, are dining, night club, micro-brew, lounge, game room and spa.

[Click here](#) to get to the survey, which you will need to print out, fill in and return. There is a contact name and number of the form for further information.

## Business help for vets

Area veterans who are thinking about small-business ownership, should get in touch with the VBOC, the Veterans Business Outreach Centers.

Fortunately for Greenlee County veterans, the nearest one of about 20 VBOCs nationwide is in Sierra Vista.

By connecting with a Center, a veteran can get help developing or improving a business plan, get help with applying for a Small Business Administration-backed loan or a federal contracting certification or gain additional management expertise, mentorship or access to market opportunities and capital.

Contact the Cochise College VBOC at 520.335.2924 or visit [www.cochise.edu/vboc](http://www.cochise.edu/vboc).

### S. RICHARD SHOSTAK, ESQ. CUSTOMS COMPLIANCE/NAFTA SEMINAR



U.S. CUSTOMS INFORMATION NOT EASILY FOUND ON THE INTERNET

A Customs Compliance/NAFTA Seminar by S. Richard Shostak will be held May 10 or May 11 (same seminar each day) in Green Valley. The May 10 seminar will be held from 10-2 and the May 11 event from 1-5 p.m., both at the Wyndham Canoa Ranch Resort. Registration fee is \$95. For information, call or text 520.878.3099.

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