

Mine's closure to impact area

By Elizabeth Cleary

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The announcement Chevron Mining is closing its Questa mine has left many to wonder about the economic effects across the county.

Over the years, Chevron has made a number of charitable contributions to Questa's schools, libraries and public service departments. It is also a key customer for businesses such as Kit Carson Electrical Cooperative. Indirectly, it supported industry in Taos County by generating a steady income for the 300 people employed by the mine as well as those employees' families.

Co-op CEO Luis Reyes said Chevron generally accounts for as much as 10 percent of the utilities' revenue. For years the mine has been in a holding pattern as it waits for market prices of molybdenum to rise. Reyes said if the mine had gone back into operation, as it was planning to do, its energy use would have helped stabilize electricity rates for the county. Instead, the co-op must now look at other ways to potentially stabilize rates as it faces declining margins.

Spencer Hamons with Taos Health Systems, which includes Holy Cross Hospital, said Chevron has not been a major donor to the hospital in recent years. Hospital officials are more concerned about the long-term effects the mine's closure could have on the hospital now that many families will be without health insurance or making do with a lower quality of health insurance.

Hamons said they expected to garner some of the occupational medicine business as the mine prepared to begin extraction again, which of course is no longer going to happen. The hospital will need to re-examine its plans to build occupational health services, he said.

"There may be short-term possibilities, but this will have a long-term impact on occupational medicine services in Taos," Hamons said.

Taos County Finance Director Leandro Córdova anticipates the effects on the county's budget will be long-term as well. The mine doesn't pay gross receipts tax on what it extracts, he said, and he sees the loss in property tax revenue as families move away due to the closure as the potentially biggest hit to the county's budget.

"It's just so hard to tell right now," he said.

Current Taos Town Manager and former deputy Taos County manager Rick Bellis said the village of Questa was already struggling financially before the mine's closure, and says the town and county will inevitably have to pick up some more slack now. The county, he said, already

contributes \$70,000 annually to the village's EMS services. He also said the closure could have an effect on businesses in Taos because families come to Taos to do their shopping.

Questa School Superintendent Lillian Tòrrrez said Chevron supports the school district in a number of ways. It organizes an internship program with high school seniors and provided the district with iPads. Chevron also provides scholarships to high school seniors, pays for the GED program and funded the score boards on the schools' athletic fields.

Mine spokesperson Margaret Lejuste said Chevron will put \$320,000 per year for the next eight years into a fund for the Village of Questa. It will give the village an additional \$1 million in 2015 and help the village with an economic development plan for its post-mining economy. LeJuste also said scholarships already given out to local students will be honored, and the company will continue its Grants for Good program through at least the end of the year.

Taos County Manager Steve Archuleta said at a county commission meeting Tuesday (June 4) the county should talk with Chevron about hiring local contractors whenever possible throughout Chevron's remediation efforts.

Reporter Andrew Oxford contributed to this story.