



Bitterroot National Forest Supervisor's Office
Attn: Sheep Creek Comments
1801 N. First Street
Hamilton, MT 59840

August 21, 2026

Re: Sheep Creek Comments

Dear District Ranger Pliley,

Thank you and the USFS for providing us with the opportunity to comment. We know that this consideration was not required. Ravalli County Economic Development Authority is extremely concerned about US Critical Materials rare earth mine and exploration in the Headwaters of the West Fork / Bitterroot River.

We strongly urge and request that you complete an Environmental Assessment before deciding whether this Exploration can proceed. The present plan and the request of a Categorical Exclusion insufficiently address potential risks to our community, water quality, threatened and endangered species and irreparable harm to the citizens and our economy.

The citizens of the Bitterroot Valley and beyond depend upon healthy headwaters habitat in the West Fork: pristine trout habitat supporting one of the most-fished rivers in our state; 1,400 family farms and ranches and 10 billion gallons of water delivered from Painted Rocks Reservoir; a sustainable, \$73 million recreation economy; and a local culture that values wildlife and natural resources. US Critical Materials' rare earth mine in the Headwaters of the West Fork could devastate these ways of life in the Bitterroot.

Some Key Facts of the Bitterroot Economy

Nearly 1 in 5 jobs in Ravalli County, 3,715 of them, are in sectors that the mine could most affect: Accommodation, Food Service, Tourism, Recreation and Agriculture.

- Our agriculture economy has 1,400 farms with total sales of nearly \$41 million
- Our Tourism and Recreation economy is \$73 million and 607 direct jobs – nearly \$8 million is spent with outfitters and guides and another \$4 million with retail.

The latest information from the mine states there will be up to 12 jobs created. Mine representatives at the December 2025 meeting said even in the early stages, the project would bring 40 to 50 jobs to the Darby area which was described as "significant" economic development. Touting economic development does not make it so. There are models for measuring the truth of the economics and those models would consider the potential losses as



well as the stated “up to 12 jobs.” One such model was developed at Harvard University’s Department of Economics (Dr. James H. Stock).

Two examples of significant economic development in the Bitterroot are:

- GSK is the City of Hamilton’s largest property tax payer, the County’s second largest property tax payer, and one of the largest employers.
- Angler’s Roost, a riverfront campground, annually sends more than \$2.5 million into the Bitterroot’s economy.

If 5% of the jobs, about 200 of them ($3,715 * .05$), in the Ag and Tourism related sectors are negatively affected, that is the equivalent of a company the size of GSK. Is it reasonable to think that a negative impact could occur?

Agriculture, Tourism & Rec are nearly 8% of the County’s total \$1.4 billion GDP. The Bitterroot citizens have an investment, many have worked a life-time to achieve their personal wealth and they are part of this GDP: the value of our homes, the income we earn, and our well-being. How will the potential devaluation of our personal wealth and wellbeing be measured? If US Critical Materials is enabled to go forward without adequate Environmental Assessment, how will we measure the value of a taking of this personal wealth from our citizens, which will then be used to provide wealth to outside investors.

Consider the track record of US Critical Materials Executive Chairman Harvey N. Klebanoff (a.k.a. Harvey Kaye), who has a documented history of financial and regulatory issues dating back to 1971. He presently serves as Chairman of the Board for Zero Gravity Solutions, a company that is \$15 million in debt with only \$117,000 of cash on hand. Where is the financial analysis that demonstrates a company with the cash to follow their plan and be responsible to the citizens of the Bitterroot?

In Libby, home of a super fund site, the median home price is about \$379,000. The median home price in Ravalli County is \$575,000. Environmental issues are in part responsible for property values in Lincoln County that are 34% lower than Ravalli County’s. This could occur in the Bitterroot. This is an example of the taking of the Bitterroot citizen’s personal wealth and transferring it to investors.

The present USCM plan ignores the most common threats a mine poses to floodplains, wetlands, sensitive areas, and the special water source at Painted Rocks: acid mine drainage and polluted run-off from mined materials left on site. An Environmental Assessment would facilitate a complete evaluation of groundwater, stormwater, and local geology to fully understand risks and protections needed. A responsible proposal would present clear plans for eliminating the all-too-common occurrence of water encountering hazardous, long-lasting toxins. A 2024 report from USCM shows that disturbance of rock at Sheep Creek could risk exposing dangerous levels of



asbestos, heavy metals, and radioactive materials. If mismanaged, these would put our waterways and our community's health at risk.

Additionally, vaguely described measures for preservation of endangered species need stronger conditions, particularly in light of the heavy helicopter use in the plan and the presence of multiple listed wildlife species. Fish are not considered in the Plan, despite the presence of threatened bull trout.

US Critical Materials emphasizes the need for robust community participation, and in the face of such great public controversy around this proposal, only an Environmental Assessment can fulfill this public promise. USCM CEO stated that "environmental stewardship is not an afterthought for this project; it's foundational," and that, "the responsible path forward is [not] automatic approval... it's disciplined, evaluated, grounded in science... and informed by the voices of the people who care most about this place."

There is an old legal adage that says "When the facts are on your side, hammer on the facts. When the facts are not on your side, hammer on the table and yell like hell." Respectfully, I submit that USCM is doing a lot of hammering on the table and trying very hard to avoid facts and planning and communication with this community.

Based on the extraordinary circumstances listed above, the Forest Service has the responsibility to conduct an Environmental Assessment before making a decision on whether to allow exploration for Sheep Creek Mine to proceed.

Sincerely,

Julie Foster
Executive Director