

SCIOTA TOWNSHIP
SPECIAL MEETING FOR CASTLE ROCK MATERIALS
Monday, May 23, 2011
7:00pm

Pledge of Allegiance

Members Present:

Renee Otte
Randy Volkert
Mitch Penny
Tracie Roberge
Shannon Olson
Jill Trescott
Michelle Splichal
Linda Hardy

Others Present:

Refer to meeting sign-in sheet

Special Meeting Called to Order @ 7:15pm

Special Meeting for Castle Rock Materials held by the Planning Commission:

Castle Rock Materials would like to amend their existing extraction permit. The proposed amendment is to allow mining below the water table without de-watering. All mining limits remain the same; the only change is to allow mining below the water table.

Jill Trescott brought the meeting to order describing the public hearing for Castle Rock Materials.

Kristen Pauly presented the members with information about Castle Rock Materials. Kristen gave background information about Castle Rock Materials. They received their original permit in 2007 and amended the permit in 2010 to increase the acreage to 34 acres. The current amendment will allow mining into the water table. This will not involve de-watering. The material will be blasted and excavated using backhoe and drag hoe equip. The proposal is to mine the limestone below the water table. This will be done in a manner that minimizes the impact to the water table. The rest of the operations will remain the same. The direction of the water flow beneath the site is towards the South, toward Chub Creek. There are no drinking water wells in the proposed mining operations. The main concern is to maintain that the water is not disrupted so the mine will run in accordance with the MPCA rules. The final site of the facility will have a lake created in the middle of about 17 acres. There will be a safety bench around the shoreline to allow a 10-1 slope about 100 feet into the water body. The perimeter of the water body will have topsoil applied and be reseeded and vegetated.

Pauly reviewed the changes that were made by recommendation of the Planning Commission.

- Page 5 indicates the burms that exist right now are in the setback area. Pauly states that she has not ever seen that it was not allowed to have a burm in the setback area. Their request is to continue to have these screening burms in the setback area. Page 5 also refers to the no blasting rule of no blasting between

- February 10 and May 1. The hours of operation are also listed on page 5. They are not asking for any changes to the original hours of operation.
- Page 6 talks about Fuel storage. Fuels are stored on site to supply fuel to operate on site equipment. They currently have a fuel truck that is exempt from PCA rules because it is portable. All of this language is on page 6. Prevention of Agricultural run-on is also discussed on page 6. The only area that the surface water drains toward the site is on the western side of the property. Castle Rock Materials also has a spill plan defined on Attachment 3. The MPCA requires that if there is any petroleum spill of 5 gallons or greater the company must notify the state duty officer. If any spill of any size were to reach the water body this would also be report to the MPCA.
 - Page 9 addresses lighting. There will not be lighting used for mining. It will be used for emergency lighting in the evening.
 - Page 10 addresses reclamation. The reclamation costs have been modified to reflect the changes.

Castle Rock Materials asked about the ability to sell topsoil from the site. This was not discussed at the May 16th planning Commission meeting, but they would like to bring this up for discussion. There is a tremendous amount of excess material. They would ensure that they have sufficient soil on site to reclaim the area.

Mitch Penny asked about noxious weeds and if there was anything in the plan to address this concern. Zumbusch stated that Tom Otte has taken care of this in the past and will continue to address this as the need arises. Pauly stated that if there are any concerns about weeds, etc., she recommend that they called Zumbusch directly.

Butch Marthaler commented about going into the water table he stated that he only had a 70' well. He is to the east of the existing mine. He feels this is extreme. He stated that all last summer they were running until 11pm at night. He stated that the board did not do a good job of policing the site. He feels that the site should be watched a little closer. Zumbusch stated that he doesn't know for sure if it will be exactly 50' but it will hit 40' for sure. As far as violating the hours of operation, Paul stated that it was his fault, he leaves at 6pm and wasn't aware that this was happening.

John MacQueen stated that he has had problems in the past. Hours of operation and dust control. He stated that he's heard the same excuses. He's concerned with the MPCA. The board does not police the mistakes. He is concerned about the wells.

Renee asked Paul to explain why we want to go below the water material. Paul stated that the material is harder. The material is a better quality, its solid clean rock. Some material will be produced and sold to the asphalt company. It costs more to go into the water, but they would like to get a better quality product.

Chuck Eckstrom asked about whether his well would go dry. Pauly stated that the change in water level remains the same. It is simply moving the material out of the water table. The quantity of ground water essentially remains the same.

Bonnie Wells asked for them to guarantee that her well will not go dry. Pauly stated that there is some loss due to evaporation, but that is an insignificant impact on measurable water levels.

MacQueen asked about water quality, he said when you begin to agitate the water, what does it do to his well. Pauly stated that because the process is to remove the material you are exposing the water table. That's where the groundwater protection plan was developed. It's the same situation in the majority of lakes in MN, the lake is an expression of the water table. There have been many examples of mining below the water table in MN and it is done without impact when the proper procedure is in place.

Trescott asked Pauly to explain the process. Pauly stated that you basically pull out the material and you put it into a pile. The water will infiltrate, there is a certain amount of filtering that will take place. There was a question about the fine material after the rock is washed. The fine material is used for developing the slopes into the area around the lake. She stated that she can imagine some of the fines being left into the lake. Pauly stated that they will not be putting the fines back into the water body. Pauly stated you don't generate a tremendous amount of fines with the limestone. It comes out in pretty large chunks.

There was a comment about the groundwater protection plan and if they do testing of the water. Pauly stated that they have not proposed any monitoring but that this could be up for discussion.

Volkert asked about runoff from ag fields. Pauly stated that this would flow around the eastern edge of the property. He also asked about fuel spills and would like them to elaborate more about how they will keep the water safe from spills. Zumbusch stated that they have a mobile truck that will be parked 500' from any body of water. They will put a secondary containment on this truck. Volkert inquired about re-fueling and where this is done. The mobile one will be kept 500' from the body of water. Otte asked if they could keep the trucks out of the pit floor, possibly by the shack. Zumbusch stated that they could keep the trucks out of the pit. The contractor has the fuel truck. MacQueen asked if they spill who would be liable for the spill, Zumbusch stated that the contractor would be. Pauly stated that as the property owner the contamination on the property becomes the property owner's issue. Trescott stated that also with Dakota County, the main responsible party would be the property owner.

Zumbusch talked about policing, and he stated that they register the tanks with the MPCA. He doesn't know how often they actually come by.

Wells stated that behind her home right now they have a pit with a lot of mosquitoes. Zumbusch stated that the water is beautiful, he hasn't seen mosquitoes. This will be an actual lake not a boggy shoreline. Volkert stated that after the mining is complete he wants to see the land reclaimed nicely for future home sites. He would like to see a high water quality.

Kerry Otte inquired about how much rock would be taken out. Pauly stated that it adds about 1.4 million yards of material. Pauly stated that there has been a good demand for this material; it helps keep costs for road projects down. The other near source is Kramer's in Burnsville. Otte asked about how much more time they will be mining, he also asked about the building site of Lonnie's. Pauly stated that Lonnie's is not within the

permitted limits. Zumbusch stated that they have about 3 years. It depends on how much material is demanded.

Volkert asked them to explain about how they start the lake. Zumbusch stated that they will go from South to North with a straight narrow trench at least 50' wide, they would blast this in. You would do one blast and then clean it out. Volkert asked about how the blasts would compare to prior blasts. Zumbusch stated that the blasts would be the same or smaller, because you don't want to blast the material into the water. The intent is to not overload the charges.

Marthaler inquired about if its harder rock would it take more dynamite or less. Zumbusch stated that theoretically it would be more blasting. The less they blow the lower the cost. They would rather do the sizing themselves not with explosives. Kent Otte stated that when they initially started blasting they could feel the shake all the way to their home, and as the pit moved to the north, they don't feel it as much. He had a conversation with a geologist and his opinion was that with water it will take more blasting. Otte stated that what they would propose would be that the town board hire a third party to monitor the blasting so that there is an unbiased third party opinion monitoring the blasts, and they then do a report and compare these reports with those done by the seismograph service company used by Castle Rock Materials. Kent talked to Barr Engineering out of Bloomington. Kerry inquired about the reports from the seismograph that has been placed in his yard. He stated that he has not been getting these reports from the blasting company. Pauly stated that it has to receive an actual ground reading before it will register on the equipment. She's assuming that even though the shaking could be felt, it must not have been high enough to register on the seismograph. It goes by movement. Zumbusch stated that they could reduce the blasting by half of what they were doing, maybe they go 2 rows deep instead of 3 rows deep. Kent stated that they want to ensure that they don't have cracks in their foundation or any structural damage. Castle Rock Materials is currently using Olson to monitor the blasting. Kent stated that he thinks it's important that the township hire the company to monitor the blasts.

There was a question about testing on the water quality. Pauly stated that typically there is an annual water test as a starting place. There are companies that will come to the site to collect the samples. They take a grab sample from the water body and analyze it for materials on site, such as diesel fuels, or diesel range organics. There is also some naturally occurring organics that can cause spikes. They can do a full range of testing.

Trescott stated that it be done twice a year. Once there is a water body, it should be tested before work is started and one at the end of the year. In addition to testing for diesel range organics they should be looking for nitrates and pesticides. Because of the water flow patterns, what's going into the lake will also be going into chub creek and not into drinking water wells. If there were huge amounts it could have an impact on wells, but the small contaminants will affect chub creek. Penny inquired about how it may impact some of the more shallow wells. Trescott talked about the water levels in the lake will be the same as what chub creek will be at the time. The 2 are so close together, so whatever is in the lake will flow into chub creek.

Bonnie asked about the DNR. Trescott stated that they have an appropriations permit for the water that they use for washing. They are not appropriating water, it is a closed system, they will not be increasing or decreasing. The DNR does not regulate this

beyond what they have already done. Trescott informed the public about her role with the County.

Renee Otte asked about page 10 and hours of operation if they were only M-F. Zumbusch stated that they do not work on Saturdays. They will modify this to indicate M-F hours of operation.

Volkert asked if residents wanted to be notified when they are blasting. There didn't seem to be a demand for this.

Marthler stated that he has strong reservations about going 50' deep and how it will impact the well, and if these people spill diesel fuel there is no one there to police this work. He would like there to be some way to watch the work that is being done.

Zumbusch stated that as far as monitoring them, the company that is currently in there crushing will be the one to remove the material from the site. Zumbusch stated that he will monitor what they do. Pauly stated that when blasting you typically produce enough material; you stock pile and the crushing equipment goes away. Depending how quickly the stockpiles are depleted depends on how often they come back to blast and crush.

There was a concern about fractures below and the change in water pressures. Pauly stated they are creating additional fractures and removing the material but it doesn't change the pressure. In this case there is not a confining layer, it is all at atmospheric pressure. It's not a spectacular artisan pressure.

Wells inquired about all the other gravel pits in the area and how many of them will want to go into the water table to remove material. Trescott stated with sand and gravel it is not economical to go below the water table because it involves de-watering.

John MacQueen asked about the benefit to doing this. He stated that one individual gains a lot from having this, but how much does the township gain from this. He understands the economics of this from Castle Rock Materials. Volkert stated that last year the township received \$17,000 and this year \$27,000. Volkert's main concern is that he would like a good reclamation plan when this is complete; the fact that the township is getting money is great. Pauly stated that the state of MN has an aggregate plan that they have adopted. A portion of the profit goes to the county and the township. This was adopted to address the fact that the trucks that haul the material cause wear and tear on the roads and this money is to be used to offset these issues. This is an area that has limestone as a resource. Other sources are quite some distance away, so there is a cost benefit, there is also a cost benefit to local projects because of the closer haul distance. Castle Rock Materials employs 4 people that spend money in the community. This is also a benefit to the community and local businesses. Trescott stated that the property that is being mined is taxed as a business. Ness stated that his taxes went up about 150%. Ness commented on a couple of statements. The Planning Commission put the ordinance in place and they had a lot of public input so that people would have an understanding of what was going on in the area. We have a great deal of aggregate material in this area and geologists from the state are aware, and they want it protected and available for future generations. When this ordinance was developed they looked at all the issues that could affect the community. We have caveats in our mining ordinance to address issues such as de-watering. We want to come up with the best solution without being restrictive. The process is working quite well. The DNR has also

published guidelines on how to do reclamations on extractions into the water table. The process is here to let people bring their concerns forward. The ordinance has statements about doing testing on wells around the mine.

Trescott asked about other questions and comments.

Wells stated that Castle Rock Materials has violated some parts of the ordinance; such as blasting at certain times of the day, weeds, working until 11:30pm at night. These are all things in the ordinance and who is policing this. Zumbusch stated that the thistles and the hours are his responsibility and it's not an excuse. Trescott stated that the town board serves as weed inspectors. Wells stated that who's to say that they will only go down 40', is someone going to measure this? Trescott stated that in order to go below where they want to go they need to follow a permitting process. Roberge stated that with policing, whether it is an ordinance or a law, if something is going wrong, you let the town board know and they take care of the problem. Trescott would like permanent signage by the road with a local phone number for those who have questions or concerns. Zumbusch will take care of this. Trescott stated that if there are persistent issues that are not addressed they can lose their permit.

Chuck inquired about pumping the water out of the mine. Pauly stated that there will not be any de-watering.

MacQueen says that we are asking for an exception. Trescott stated that the ordinance states that there is no de-watering. They are not asking for de-watering. Trescott stated that any time they asked to change anything that was not asked for in the original permit they need to re-apply for their permit. This change is not a deviation from what is allowed in the ordinance. These are activities that are allowed in the ordinance.

Hardy stated that we have a section in the ordinance that addresses extraction below the water table and it states the conditions.

Linda Macqueen asked about the total area of 34 acres but the reclamation is only for 18 acres. Trescott stated that the reclamation will be done around the lake, which is 16 acres.

Trescott asks for a motion to close the public hearing. Splichal makes motion to close the public hearing. Hardy seconds.

Trescott stated the planning commission will discuss the evening's discussion. Trescott stated that we allow the amendments to the extraction permit with the following conditions met:

1. Permanent signage with a local number for complaints by the road, this number will also be placed on the township website.
2. Blasting will have same calendar restrictions and should not be allowed on Saturdays. There will be an independent geophysical blasting company monitoring the blasting with the townships choice of contractor and actual costs be paid by Castle Rock Materials. With base line testing of 3 events in the first year and additional events determined by the first years monitoring.
3. Water Quality testing. After the water body is created the water in the water body and in Chub Creek will be tested 2 times a year. Once before commencing work

in the spring and once at the end of the work season. This will be done using a certified environmental lab to collect and analyze the samples. The sampling will be done for diesel range organics, turbidity, nitrate and Minnesota Department of Agriculture list 1 pesticides; and this information will be presented to the town board annually. Additional testing may be required depending on the results.

4. Allow the berm to remain at its current location.
5. Allow topsoil sales as long as sufficient topsoil is retained to reclaim the property as described. With a requirement of annual report of volume sold.
6. Maintain current hours of operation as requested. 7am-7pm on weekdays and 7am – 3pm on Saturdays.
7. Refueling of portable equipment should be done out of the mining floor.

Trescott makes motion that we move to accept the amendments to the extraction permit with the above conditions and that the performance bond be continued at its current level, and that the fee be \$100.00 for the amendments to the extraction permit as amended. Splichal seconds. All in favor.

Hardy makes motion to adjourn the special meeting, Splichal seconds. All in favor.

Adjourn @ 8:55pm

Board Meeting called to order at 8:55pm

Otte stated that they would like to cover the amendments made to the extraction permit.

Volkert stated that the township should be notified when they blast. The township will get an independent agency out there and we want to know every time they are blasting. Pauly inquired about whether they monitor the same 2 residents all the time. Zumbusch stated that it has always been the same. When the township is notified we should know whether they are blasting below the water table or above.

Ness stated that soil and water is already doing water monitoring in chub creek and they have records going back several years. He would suggest that they would be a good source to go to for collecting data.

Otte stated that she does not feel that the township should allow the sale of topsoil. If they oversell, what will they use for reclamation. Pauly stated that even if they were to oversell this does not mean that they will not have enough for the reclamation. They would have to bring in additional material if they over sell. Zumbusch stated that there is about 1 ½ feet of topsoil. Otte stated that the topsoil brought in may be contaminated or not of the same quality. Trescott stated that she does not feel strongly about it either way. Trescott stated that in Dakota County it is not legal to move contaminated soil. Otte inquired about a tax on the topsoil. Zumbusch stated that there is not a tax on topsoil.

Ness stated that Castle Rock Materials will come in annually so that the township can monitor what is going on in the pit.

Otte asked if there was anyway we could limit the depth of the pit. Pauly stated that the deeper they go, the better the water quality. The direction of ground water flow is toward chub creek. Limiting the depth will not help anything.

Otte inquired about researching companies to do monitoring of the blasting. Otte will research companies. Zumbusch will try to give us as much notice as possible before blasting; he will give us his tentative schedule. Blasting could potentially start on Friday, May 27. The township would like to receive a report on the date and time of all blastings so that we can use this information as a comparison to the reports run by the monitoring company used by the township.

Penny makes motion to approve the amendments made to the extraction permit from the Planning Commission. Volkert seconds. All in favor.

Roads:

The next road slated to be graveled this year is Bovey or Boyd. Bryce made comments about using lime rock and recommended that we continue using class 5 gravel on our roads. He stated that several township residents commented that they do not want to have limestone applied. Bryce stated that if we were going to put down lime rock, the road to do should be 302nd, this road is traveled the most. Volkert inquired about the poor base of this road. Bryce stated that the base is a good. We would need about 24 tons, 50 loads a mile. We are going to table the idea of putting limestone on for now.

Penny makes motion to fix the frost boils on Boyd/Bovey and normal gravelling as previously scheduled. Otte seconds. All in favor.

Adjourn @ 10:20pm.