

November 25, 2014

Chairman Bryce Black called the special Town Board meeting to order at 7:07 p.m. at the Frankfort Town Hall on Tuesday, November 25, 2014.

Board members present were Bryce Black, Denny Richardson, Curt Stine, Donna Juleff and Kay Hamilton. Town Attorney Gwen Kuchevar, Town Consultant Dan Fedderly and Town official Maureen Manore were present.

Also attending were W. Geoffrey O. Black, Cynthia Lane, Dwight Jelle, Donna Gates, Jim Schiller, Rose Peterson, Glenn Peterson, Don Gisch, Nancy Gisch, Kathleen Plunkett-Black, Lilly Arbore, Tom Pullen, Carol Inderieden, Mathew Heath and Attorney Tanya Bruder.

Preliminary Presentation of Request to Modify Mining Agreement to Authorize Underground Mining; Discuss Town Board Process for Future Evaluation, Response Negotiation Concerning Underground Mining Proposal

Attorney Tanya Bruder and Mathew Heath gave a presentation which outlined Bechel Trucking & Excavating's proposal to begin a trial run of underground frac sand mining at the Richardson quarry on County Road D. They said they believe the main issues that Town citizens have with the mine are blasting, noise and aesthetics. It was stated that by moving the operation underground there would be minimal blasting, the operation noises would be underground and the landscape surface would not be disturbed. A benefit to the mining operation would be more operational time because weather would be less of a factor.

The mining method proposed is the "Room and Pillar" model, which involves making an underground grid of tunnels with pillars of material left behind to support the overburden. A hydraulic operated drill mounted on a backhoe would be used to make the tunnels. The test tunnels would not go below the depth currently mined and will be 20' x 20' or 40' x 40' depending on the strength of the pillars. The pillars will be 70' x 70'. The timeframe for the test would be about one year and stay within the currently permitted reclamation area. The tunnel entries would be accessed from the current pit. The crushing operation would be eliminated by the cutting drill but the sand will still need to be screened. The sand will be stockpiled at the entry of the tunnel. The storm water will be diverted and internally drained as is the current practice. Third party surveyors will provide maps of the tunnel locations. There are no job losses anticipated.

Mathew Heath stated that Bechel plans to pit mine the test area after the tunnel work is completed; therefore, the test area will still technically be an open pit mine. He later stated that the overburden in this area would be removed as it is needed to sell limestone products.

Attorney Tanya Bruder stated that they want to keep the Town informed and are working toward an amendment to the Mining Operations Agreement but that they want to perform the trial run before any amendments are made. She proposed that the Town be updated in a future meeting and that there will be information from an additional engineer at the Town Board's December meeting.

Dwight Jelle stated that the Bechel Mine will need to amend its Reclamation Plan with Pepin County before they can proceed.

Some of the questions from the citizens were:

- Will the same tunnels be used if the underground mining continues? The answer was yes.
- What about the long term stability of the pillars, if they collapse is the Town left with the cost? The answer was that the DNR would be looked to for guidance.
- Would Bechel consider getting Subsidence Insurance? The answer was they will look into it.

-What kind of security would they have? The answer was that there will be gates in front of the tunnels.

-Will the ventilation fans be noisy and create more dust? The answer was that the fans will be inside the tunnels so noise should not be an issue and that the safety of the miners requires minimal dust in the air.

-How is the dust being controlled? The answer was by reduced speed limits and a water truck (which does not get its water from the mine site but from a nearby well).

-Will the drilling operation cause vibrations? The answer was that because the drill is going through sandstone, not limestone, there should be no noticeable vibration.

-Does the Town Board have to approve this test? Town Attorney Gwen Kuchevar stated that a Memorandum of Understanding (MOU) is needed before tunneling begins, as this proposal is not consistent with the current Mining Operations Agreement.

The Board discussed how to proceed. Attorney Kuchevar stated that the MOU should be in place before any activity begins and it should be based on the current Mining Operations Plan and contain at the very least what is addressed in the reports, how often they are received, mid-course adjustments, when the overburden comes down and when to evaluate the process.

The Board asked who will pay the legal fees for this. Attorney Kuchevar stated that this discussion and the MOU fall under the Mining Operations Agreement and that the Board may want to negotiate an adjustment to the \$15,000.00 reimbursement cap.

The Board discussed whether this proposed operation could be better for the Town. There were several comments that the Bechel Mine has not lived up to some of the original terms of the Mining Operations Agreement yet, such as completing the installation of boundary fences.

Kay Hamilton asked to see in writing the proposal that was presented tonight.

It was agreed that Bryce Black, Attorney Kuchevar and Town Consultant Dan Fedderly would talk with the Bechels to Draft a MOU for discussion at the December meeting.

### Adjourn

Donna Juleff made a motion to adjourn the meeting and Curt Stine seconded. The motion carried.

Time: 9:24 p.m.

Maureen Manore, Clerk