



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
LANSING



C. HEIDI GREETHER
DIRECTOR

VIA E-MAIL

TO: Senate Natural Resources Committee Members
House Natural Resources Committee Members

FROM: C. Heidi Grether, Director *CHG*

DATE: October 3, 2016

SUBJECT: Sand Dune Mining Annual Report

In accordance with Section 324.63711(8) of Part 637, Sand Dune Mining, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, attached is the Department of Environmental Quality's (DEQ) Sand Dune Mining Annual Report for 2015.

If you need further information, please contact Harold R. Fitch, Chief, Office of Oil, Gas, and Minerals, at 517-284-6823; or you may contact me at 517-284-6700.

Attachment

cc/att: Ellen Jeffries, Director, Senate Fiscal Agency
Mary Ann Cleary, Director, House Fiscal Agency
John Roberts, Director, State Budget Office
Dick Posthumus, Governor's Office
Angela Ayers, Governor's Office
Josh Sefton, Senate Fiscal Agency
Austin Scott, House Fiscal Agency
Jacques McNeely, State Budget Office
Jennifer Harrison, State Budget Office
Robert Wagner, Program Deputy Director, DEQ
Amy Epkey, Deputy Director, DEQ
Maggie Pallone, Deputy Director, DEQ
Sarah M. Howes, Legislative Liaison, DEQ
Harold R. Fitch, DEQ
Kathy Tetzlaff, DEQ
Adam W. Wygant, DEQ
Rick Henderson, DEQ
Michael J. Sweat, DEQ

Sand Dune Mining Annual Report 2015



Department of Environmental Quality Office of Oil, Gas, and Minerals

Pursuant to Part 637, Sand Dune Mining,
of the Natural Resources and Environmental Protection Act,
1994 PA 451, as Amended

For more information on the Sand Dune Mining Program, please contact:
Michael J. Sweat, Petroleum and Mining Geology Section
Office of Oil, Gas, and Minerals
Department of Environmental Quality
P.O. Box 30256, Lansing, Michigan 48909-7756
sweatm@michigan.gov
517-582-3446

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The Department of Environmental Quality's (DEQ) Office of Oil, Gas, and Minerals (OOGM) administers the Sand Dune Mining Program under Part 637, Sand Dune Mining, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended. Part 637 prescribes the requirements for the permitting, mining, and reclamation of sand mining operations in designated Great Lakes sand dune areas. Sand mined from these areas is used primarily for industrial and construction purposes. The Program is funded entirely by the collection of an annual surveillance fee assessed to the sand dune mining operators. Fees are deposited in the Sand Extraction Fee Revenue Fund (Fund).

All sand dune mining sites are located within two miles of the Lake Michigan shoreline. There are currently nine active sites located in Berrien, Van Buren, Ottawa, Muskegon, Mason, Benzie, and Mackinac Counties.

Permitting Activities

The OOGM received and processed two renewals in 2015: Permit Number TS-NP-103 Nadeau Pit in Covert Township, Van Buren County; and STS-RMS-114 Rosy Mound Site in Grand Haven Township, Ottawa County. Each permit was renewed for a five-year period. One permit was closed in 2015: Permit Number TS-NS-107 Nadeau Site (Taube Road) in Hagar and Covert Townships in Berrien and Van Buren Counties, respectively.

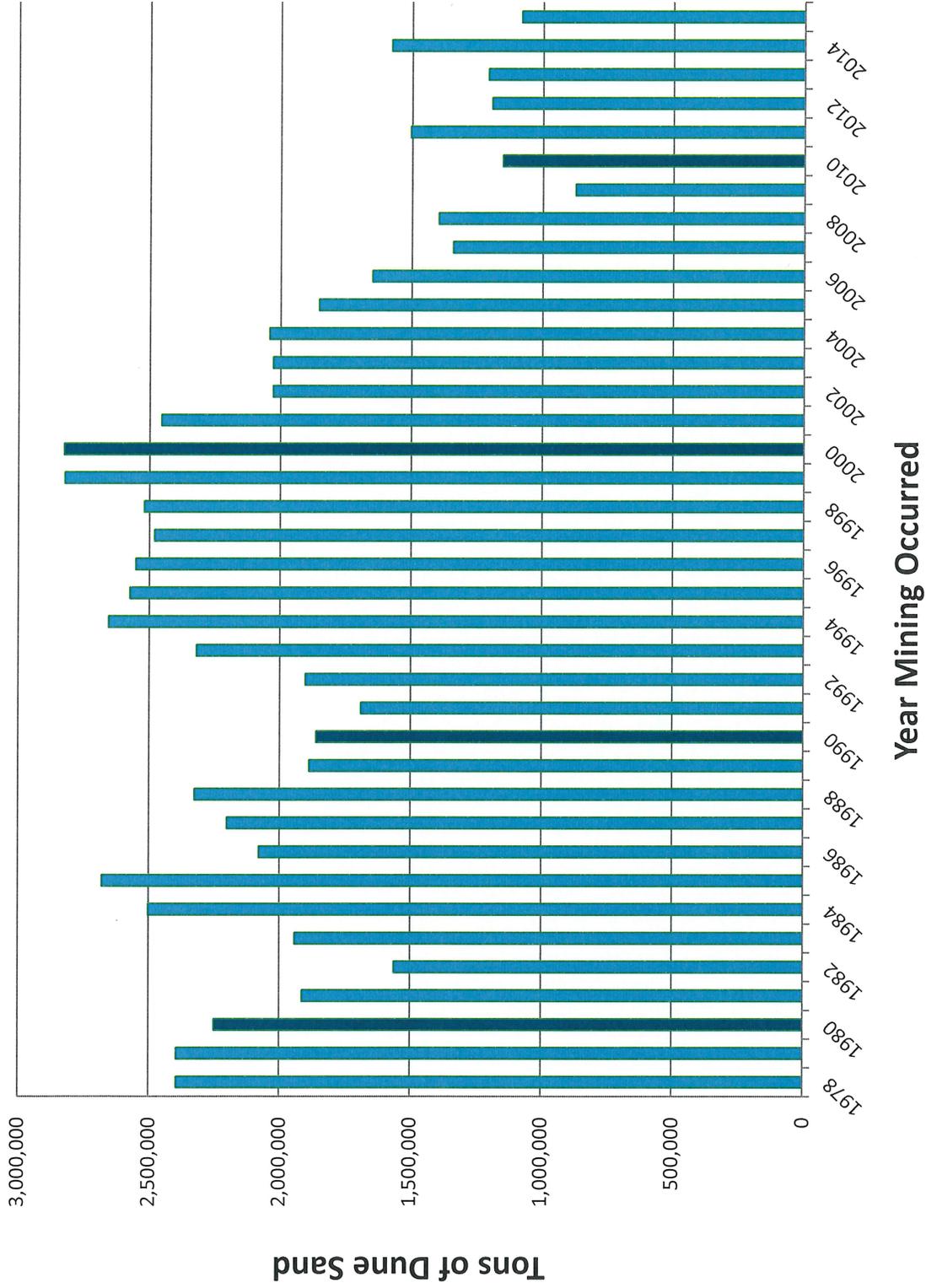
Surveillance and Enforcement Activities

OOGM staff conducted a total of 18 on-site inspections at permitted sites and responded to two inquiries/complaints during 2015. Those activities accounted for \$32,655 in expenditures. No significant issues occurred that required enforcement action, and all mine operators were in compliance.

Revenue and Expenditures

Total money received from Sand Dune Mining surveillance fees totaled \$63,087 for fiscal year (FY) 2015-2016. Expenditures totaled \$32,655. Part 637 requires the DEQ to calculate the surveillance fee rate each year, up to a maximum of \$0.10 per ton of sand mined from a sand dune area for the previous calendar year. Fees are collected only to match actual costs for implementing Part 637 and to maintain a balance of approximately three to four years of operating expenses in the Fund. Due to the nature of sand dune mining, even after production ceases there is post production reclamation requiring oversight until closure. Unexpended money in the Fund is carried forward each year. The balance in the Fund at the end of FY 2014-2015 was \$149,912.

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Annual dune sand production, in tons, from 1978 through 2015
 During 2015: 1,081,240 tons of sand were produced from eleven permitted sites.
1978-2015: 75,726,582 tons of dune sand have been produced.

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Permit Number	Company Name	Site Name	Status	Renewal
TS-GP-100	Technisand, Inc.	Gulliver-Peters Site	Closed 2006	NA
TS-BP-101	Technisand, Inc.	Busse Property	Closed 2014	NA
TS-GS-102	Technisand, Inc.	Garage Site	Closed 1996	NA
TS-NP-103	Technisand, Inc.	Nadeau Pit	Active (Permitted 1979)	2020
TS-RP-104	Technisand, Inc.	Rose Pit	Closed 1996	NA
TS-BS-105	Technisand, Inc.	Bridgman South Site	Closed 1997	NA
TS-BN-106	Technisand, Inc.	Bridgman North Site	Closed 1996	NA
TS-NS-107	Technisand, Inc.	Nadeau Site (Taube Road)	Closed 2015	NA
SAS-LS-108	Sargent Sand	Ludington Site	Active (Permitted 1981)	2016
NUS-LAS-109	Nugent Sand	Lincoln Avenue Site	Active (Permitted 1981)	2019
VCD-HH-110	Verplank's Coal & Dock Co.	Holiday Hills Site	Closed 2003	NA
CWC-LHRS-111	CWC Castings	Lake Harbor Road Site	Closed 1987	NA
JMC-SBS-112	Jackson-Merkey Contr. Inc.	Sherman Boulevard Site	Active (Permitted 1982)	2019
CAC-FBS-113	Ottawa Sand Company	Ferrysburg Site	Active (Permitted 1982)	2019
STS-RMS-114	Standard Sand	Rosy Mound Site	Active (Permitted 1982)	2020
BON-LT-115	Bonzelaar, Jack J.B.	Laketown Site	Closed 2005	NA
SPC-PS-116	Sand Products	Plateau Site	Active (Permitted 1983)	2016
HJT-TP-117	Tanis, Harold J.	Tanis Property	Closed 1992	NA
TS-AS-118	Technisand, Inc.	Austin Site	Closed 2001	NA
TS-GAR-119	Technisand, Inc.	Garlanger	Closed 2001	NA
WR-RS-120	Woodland Ridge II, L.L.C.	Rycenga Site	Closed 2006	NA
SE-DS-121	Star Excavating	Dokter Site	Closed 1994	NA
WFR-WRP-122	Rohn, Walter F.	Walter Rohn Property	Active (Permitted 1991)	2016
WD-TSS-123	Woodland Development	Tiffany Shores Site	Closed 1995	NA
Denied/124	Hart-Packing	Silver Lake Site	Closed 2001	NA
CAC-NSS-125	Construction Aggregates	North Sag Site	Closed 2001	NA
NLN-NLS-126	Genzink, Steve	New Life Nursery	Closed 2001	NA
DPD-DP-127	Drooger, Dennis P.	Drooger Property	Closed 1994	NA
OE-OES-128	Owens Excavating	Owens Excavating Site	Closed 2004	NA
WGI-BSS-129	Waters Group, Inc.	Blair Street Site	Closed 2001	NA
CB-CBS-130	Beasley, Charles	Charles Beasley Site	Closed 2005	NA
HA-GBF-131	Aussicker, Harold	Gold Barn Farms Site	Closed 2007	NA
DS-LWS-132	Slikkers, David	Legacy Woods Site	Closed 2006	NA
MES-ES-133	Emery, Martin	Martin Emery Site	Active (Permitted 2009)	2019

Status:

"Active" means mining has or could occur. Some sites might not be producing or are preparing to close.

"Closed" means mining has stopped, reclamation has been completed, and site bond has been released.

Shaded cells indicate mines that have not renewed their permits and that are closed.

Renewal:

Permit must be renewed by December 31 of specified year.