



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN

DEPARTMENT OF NATURAL RESOURCES

LANSING



REBECCA A. HUMPHRIES
DIRECTOR

SUBMITTED: December 7, 2009

MEMORANDUM TO THE DIRECTOR

Information: Natural Resources Commission

Subject:

One Direct Nonmetallic Sand and Gravel Lease in Jackson County.

Authority:

Part 5, Department of Natural Resources, Section 502, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA).

Applicant:

Aggregate Industries of Kalamazoo, Michigan.

Jurisdiction:

Department of Natural Resources (DNR) surface and mineral ownership.

Land Descriptions:

Part of Sections 1 and 12, T02S, R02E, Waterloo Township, Jackson County, containing a total of 72.44 acres, more or less.

Lease Terms:

Ten-year primary term, with three (3) three-year extension, if in the best interest of the state, \$25,000.00 annual minimum royalty, and a royalty rate of \$0.90 per ton (2,000 lbs. avoirdupois).

Background and Discussion:

The state-owned land to be leased is an irregularly-shaped parcel with rolling topography and a mix of old field and woodland cover types. It contains invasive exotic species such as Russian olive, Oriental bittersweet and spotted knapweed which threaten higher quality stands of oak-hickory forest and wetlands on adjacent state land.

During the term of the lease, the land offered in Land Transaction Case 20050400 and this leased land will be mined for sand and gravel, and then restored in phases according to a reclamation plan approved by Parks and Recreation Division stewardship staff. The

NATURAL RESOURCES COMMISSION
Keith J. Charters, Chair • Mary Brown • Hurley J. Coleman, Jr. • John Madigan • Timothy L. Nichols • J. R. Richardson • Frank Wheatlake

STEVENS T. MASON BUILDING • P.O. BOX 30028 • LANSING, MICHIGAN 48909-7528
www.michigan.gov/dnr • (517) 373-2329

Great Lakes, Great Times, Great Outdoors!

reclamation plan calls for restoration of the rolling topography, perched wetlands, and native vegetation indicative of historic cover. The reclamation plan will be conducted in phases to ensure there is no net loss of land for public recreation over the term of the lease.

The mineral lease has a ten year primary term with the possibility of extensions based on market demand for the material. The company will pay a market rate royalty for the minerals with all royalties accruing to the Natural Resources Trust Fund as required by statute. Depending on market demand, an estimated 8 to 9 million tons of sand and gravel could be mined from the state land during the term of the lease.

Special Restrictions:

Mining to be limited to the approved mining and reclamation plan. A portion of the state-owned land in Section 1 to be leased was acquired as a gift from the United States Department of Interior (USDOI) on June 4, 1943. The mining lease on state land acquired from the federal government is subject to the concurrence of the USDOI, National Park Service.

Notice:

Item appeared on the DNR's December 28, 2009 Business Calendar, was published in The Jackson Citizen Patriot by December 8, 2009, and is eligible for approval on January 7, 2010.

Recommendation:

That one direct nonmetallic sand and gravel lease be issued to the applicant pursuant to the above terms and conditions.

Lynne M. Boyd, Chief
Forest, Mineral and Fire Management

Russ Mason, Ph.D., Chief
Wildlife

Kelley D. Smith, Ph.D., Chief
Fisheries

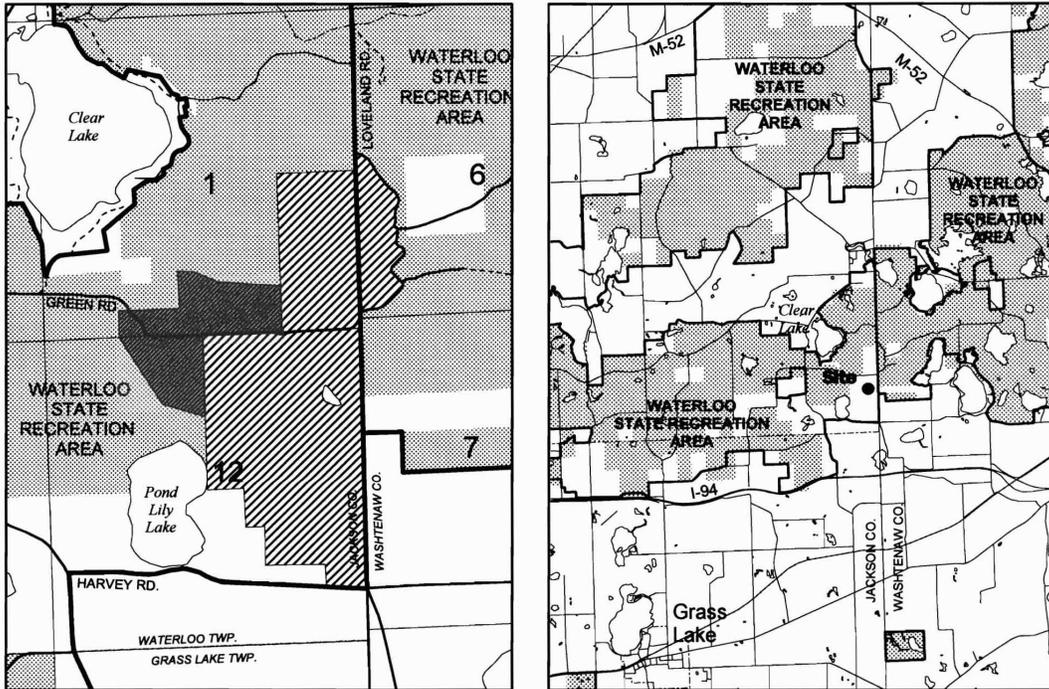
Arminda S. Koch
Resource Management Deputy

I approve the staff recommendation.

Rebecca A. Humphries
Director

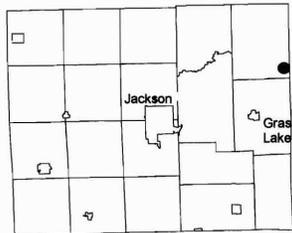
Approval Date

**PARKS AND RECREATION LAND ACQUISITION
AND NON-METALLIC MINERAL LEASE**
Waterloo State Recreation Area - Jackson and Washtenaw Counties
The Aggregate Industries Tract
Land Transaction Case #20050400



Section 1 and 12, T02S, R02E, Waterloo Township, Jackson County
 Section 6, T02S, R03E, Sylvan Township, Washtenaw County

- Recreation area boundary
- ▨ Land offered to DNR (324.00 acres)
- State land to be leased and mined by applicant (72.44 acres)
- ▤ State land
- Private land



JACKSON COUNTY



DNR-FMFM
 M:\RAU_Projects\Commission_Memo\OLAF\20050400_waterloo ra
 11-30-09, 4:30 pm