



STATE OF MICHIGAN



JENNIFER M. GRANHOLM  
GOVERNOR

DEPARTMENT OF NATURAL RESOURCES

LANSING

REBECCA A. HUMPHRIES  
DIRECTOR

December 7, 2009

**TO:** Rebecca A. Humphries, Director

**INFORMATION:** Natural Resources Commission

**Transaction:** Parks and Recreation Land Acquisition  
Waterloo Recreation Area – Jackson and Washtenaw Counties  
The Aggregate Industries Tract  
Land Transaction Case #20050400

**Gift:** 324 acres more or less

**Description:** Jackson County, Waterloo Township, T02S, R02E, Land in the E ½ of the SE ¼ of Section 1 and in the E ½ of Section 12, AND: Washtenaw County, Sylvan Township, T02S, R03E, Part of the Fractional SW ¼ of Section 6. Full legal descriptions are included on the attached “Exhibit A.”

**Grantor:** Aggregate Industries, Inc. (AI), Kalamazoo, Michigan

**Authority:** Part 5 of Act 451, Public Acts of 1994, as amended

**Option Expires:** March 5, 2010

**Stipulation:** Grantor reserves sand and gravel rights and the right to operate a processing facility in conjunction with DNR Lease # 167.

**Notice:** This item will appear on the Department of Natural Resources’ (Department) December 28, 2009 Calendar, and is eligible for approval on January 4, 2010.

**Comments:** The offered 324-acre private parcel constitutes a significant inholding within the Waterloo Recreation Area. The property has multiple access points via road frontage on Loveland, Harvey, and Green Roads. The land is currently a sand and gravel mining site with a processing facility located near the center of the parcel.

The company will convey ownership of its 324 acres to the Department, but reserve non-metallic mineral rights and the right to maintain its processing facility on the offered property for the term of DNR Non-metallic Mineral

NATURAL RESOURCES COMMISSION

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December 7, 2009

Lease #167 on adjacent State-owned land. During the term of the lease, the offered land and the adjacent State-owned land under lease will be mined for sand and gravel, and then restored in phases according to a reclamation plan approved by Parks and Recreation Division (PRD) stewardship staff. The reclamation plan calls for the restoration of the rolling topography, perched wetlands and native vegetation indicative of historic cover. The reclamation plan will be conducted in phases to ensure that there is no net loss of land for public recreation over the term of the lease.

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. Consisting of farm fields prior to acquisition, the parcel now hosts invasive exotic species such as Russian olive, Oriental bittersweet, and spotted knapweed which present an ongoing threat to the high quality stands of oak-hickory forest and wetlands located on adjacent State land to the west and north of the lease area.

The mineral lease establishes a ten year 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 Michigan Natural Resources Trust Fund (MNRTF) as required by statute. Depending on market demand, an estimated 8 to 9 million tons of non-metallic minerals could be mined from the State land during the term of the lease.

This acquisition will contribute to the Department's Land Consolidation Strategy by adding to State-owned land in the area, and eliminating nearly three miles of public/private boundary interface in the Waterloo Recreation Area. The offered private land will also enhance access, protect habitat, and increase recreational opportunities at the recreation area.

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 transaction and the mining lease on State land acquired from the federal government are subject to concurrence of the USDOI, National Park Service.

On March 24, 2009, the Citizens Committee on State Parks passed a resolution in support of this transaction.

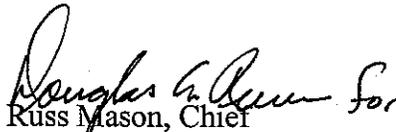
This transaction was reviewed by Department staff and recommended for approval by the Land Exchange Review Committee on August 28, 2008. The Mineral and Land Management Section (MLMS) of Forest, Mineral and Fire Management (FMFM) has determined that it is appropriate to lease the mineral rights and has assisted in the development of the terms of the lease. The mining lease will be based on the Department's standard format as approved by the Office of the Attorney General and is approvable by the Chief of FMFM, in concurrence with the Chief of PRD, which will administer the lease.

December 7, 2009

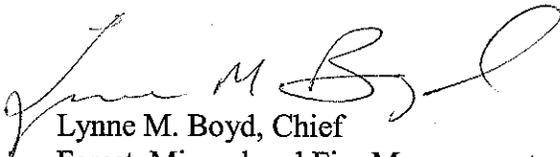
- Recommendations:
- (1) That the transaction be approved under authority of Act 451 of 1994, as amended.
  - (2) That the mineral lease and oversight of the reclamation plan be subject to concurrence of the USDOJ, National Park Service, and administered by PRD, in consultation with MLMS of FMFM.
  - (3) That payment of property taxes and any closing costs be made from the MNRTF Waterloo Recreation Land Initiative, Act 23 of 2009.
  - (4) That this gift of land be accepted with appreciation.



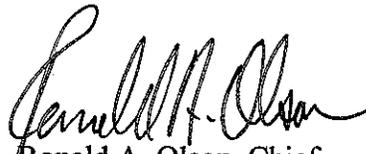
David E. Freed, Chief  
Land and Facilities



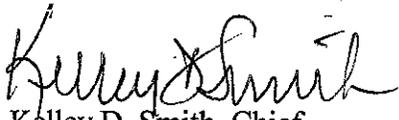
Russ Mason, Chief  
Wildlife



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



Ronald A. Olson, Chief  
Parks and Recreation



Kelley D. Smith, Chief  
Fisheries



Arminda S. Koch  
Resource Management Deputy

I approve the staff recommendations.

Rebecca A. Humphries  
Director

\_\_\_\_\_  
Date Approved

## EXHIBIT A

### **Part of Jackson County Assessor's Number 000-10-12-200-001-01:**

A parcel of land being in the NE ¼ of Section 12, T2S, R2E, Waterloo Township, Jackson County, Michigan describes as: Commencing at the NE Corner of said Section 12; thence S 00°23'32" E 724.72 feet along the E line of said Section 12 and the Centerline of Loveland Road to the Point of Beginning; thence S 00°23'32" E 327.00 feet along said East line and said Centerline; thence S89°36'28" W 400.00 feet; thence N 00° 23'32" W 327.00 feet; thence 89° 36'28" E 400.00 feet to the Point of Beginning. [Liber 1617, Page 335]

### **Part of Jackson County Assessor's Number 000-10-01-426-001-00:**

#### PARCEL II

The SE ¼ of the SE ¼ of Section 1, T2S, R2E, Waterloo Township, Jackson County, Michigan. [Liber 1591, Page 875]

### **Part of Jackson County Assessor's Number 000-10-12-200-001-01:**

#### PARCEL III

The NE ¼ of Section 12, T2S, R2E, Waterloo Township, Jackson County, Michigan, EXCEPT commencing at the NE corner of said Section 12; thence S 00°23'32" E 724.72 feet along the E line of said Section 12 and the centerline of Loveland Road to the Point of Beginning; thence S 00°23'32" E 327.00 feet along said E line and said centerline; thence S 89°36'28" W 400.00 feet; thence N 00°23'32" W 327.00 feet; thence N 89°36'28" E 400.00 feet to the Point of Beginning. [Liber 1591, Page 875]

### **Part of Jackson County Assessor's Number 000-10-01-426-001-00:**

#### PARCEL I

The NE ¼ of the SE ¼ of Section 1, T2S, R2E, Waterloo Township, Jackson County, Michigan. [Liber 1591, Page 876]

### **Jackson County Assessor's Number 000-10-12-426-001-06:**

#### PARCEL V

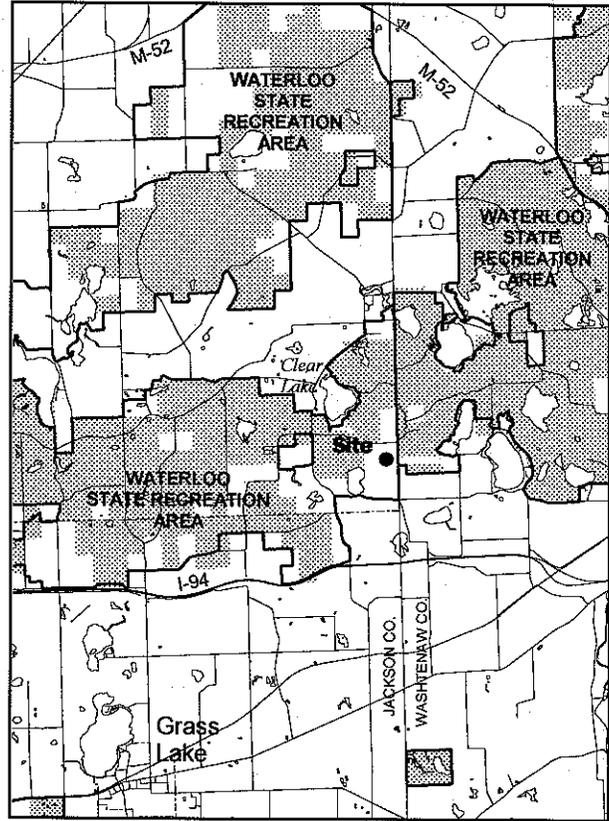
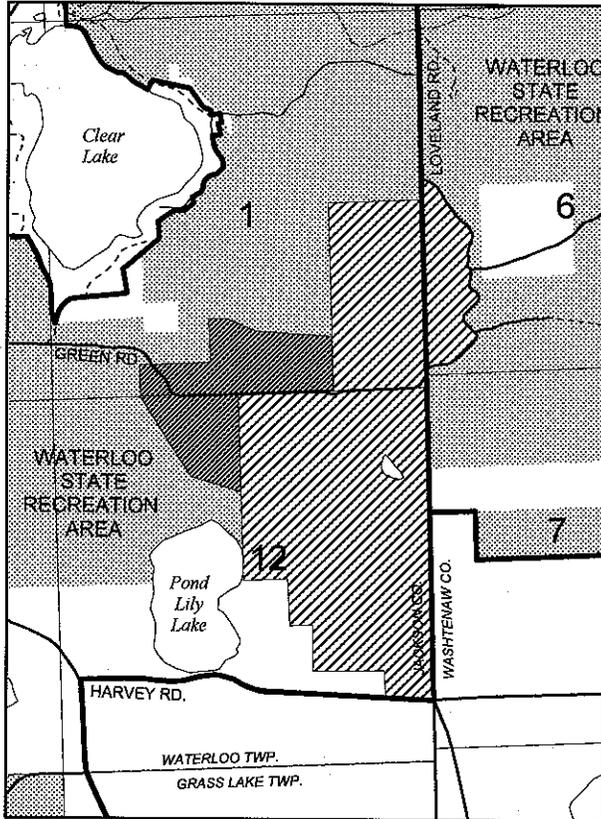
Beginning at the E ¼ corner of Section 12, T2S, R2E, Waterloo Township, Jackson County, Michigan; thence along the E line of said Section and along the centerline of Loveland Road, S 00°08'08" E 1777.49 feet to a point on the centerline of Harvey Road; thence along said centerline, N 86°45'56" W 512.61 feet; thence N 00°08'08" W 477.50 feet; thence S 89°08'24" W 800.34 feet, to a point on the W line of the E ½ of the SE ¼ of said Section; thence along the W line, N 00°19'14" W 603.35 feet; thence S 89°08'24" W 462.00 feet; thence N 00°19'14" W 660.00 feet to a point on the E and W ¼ line of said Section; thence along said E and W ¼ line, N 89°08'24" E 1778.19 feet to the Point of Beginning, being part of the SE ¼ of said Section 12. [Liber 1591, Page 876]

### **Washtenaw County Assessor's Permanent Parcel Number: F-06-06-300-001:**

#### PARCEL IV

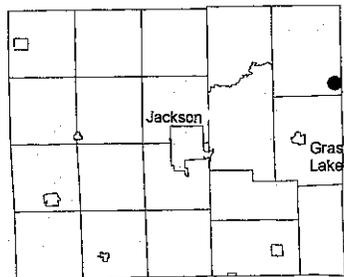
That part of the SW fractional ¼ which lies W of the Highway running N'ly and S'ly through the SW fractional ¼ of Section 6, Sylvan Township, Washtenaw County, T2S, R3E. [Liber 3844, Page 929]

**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

