

APPENDIX F

MDOT FILE CORRESPONDENCE CONCERNING I-196 CONSTRUCTION

MICHIGAN
STATE HIGHWAY DEPARTMENT

Form 2140
Rev. 1/59

DATE: 2/28/62

TO: Karl Rock
Grand Rapids

- | | | | |
|-------------------------------------|-----------------------------------|--------------------------|-------------------|
| <input type="checkbox"/> | Prepare reply for _____ signature | <input type="checkbox"/> | Advise me, please |
| <input type="checkbox"/> | Prepare reply for my signature | <input type="checkbox"/> | Per your request |
| <input type="checkbox"/> | Reply direct, copy to this office | <input type="checkbox"/> | For your review |
| <input type="checkbox"/> | For your approval &/or signature | <input type="checkbox"/> | Note and return |
| <input type="checkbox"/> | For your information | <input type="checkbox"/> | For your files |
| <input checked="" type="checkbox"/> | Per our conversation | | |

REMARKS: I have talked with
R.E.M., O.L. Stokstad &
Gen. McCarthy. They all
agree that as much info
as available be gotten from
Lypsum Co. Suggest you
FROM: arrange a meeting with
them - K.A. Allen

MEMORANDUM FOR FILES

Thursday, July 20, 1961, an informal meeting was held at the U.S. Gypsum Company of Grand Rapids for the purpose of determining the location and condition of existing mine shafts that may fall within the limits of our proposed roadway.

Those in attendance were:

| | |
|---------------|--------------------------------|
| Charles Young | Mine Engineer, U.S. Gypsum Co. |
| W. E. Groomer | Squad Leader |
| O. Kalzbach | Ass't Squad Leader |

It was determined that the entire mine field lies South of Fulton Street and West of the South Sec. Line of Sec 27 which our plans show as the Grand Rapids City Limits. Our affected roadway would be between Sta 442 and 463. It was further determined that this mined area is inactive and has experienced cave-ins but none of recent years.

While all mining operations are presently North of Butterworth Ave, years ago there had been some activity to the South which may have extended beyond the river. There are no records of this operation and information is vague. Mr. Young is to check further on this.

The problem of cave-ins was discussed and it appears that while the area of concern is quite stable, future cave-ins would not be impossible. It was pointed out that due to the depth of the mines it sometimes takes years for the results of a cave-in to reach the surface.

Mr. Young is to supply us with a print of his map, showing mine locations.

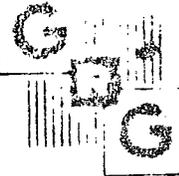
It was brought out at this meeting that a dust problem would in all probability be encountered by motorist upon completion of the roadway unless preventive measures were taken on part of U.S. Gypsum Co. The dust which is created thru the manufacturing process is intense enough at times to create hazardous driving due to reduced visibility.


W. E. GROOMER
Design Squad Leader

WEG/m

cc: H. J. Koester
W. A. Fozner
G. D. Beukema
K. R. Rock

GRAND RAPIDS GYPSUM COMPANY



BOX 74
GRAND RAPIDS, MICHIGAN
GLENDALE 9 6 91

DONALD G. SLAWSON
EXECUTIVE VICE PRESIDENT
AND TREASURER

13 February 1962

(Handwritten scribble)

Mr. John W. Knecht,
2237 Raby Road
E. Lansing, Michigan

| | | | | |
|-------------------------------------|----------|---|-------------------------------------|------------|
| <input checked="" type="checkbox"/> | MCCARTHY | RECEIVED FEB 21 1962 M.S.H.D. CHIEF OF DESIGN | <input type="checkbox"/> | WEINMAN |
| <input type="checkbox"/> | BECKER | | <input type="checkbox"/> | VANDERHOVE |
| <input type="checkbox"/> | LAIRD | | <input type="checkbox"/> | DYCKST |
| <input type="checkbox"/> | WENDLAND | | <input checked="" type="checkbox"/> | STOKSTAD |
| <input type="checkbox"/> | JONES | | <input type="checkbox"/> | HANNON |
| <input type="checkbox"/> | COOPER | | <input type="checkbox"/> | |
| <input type="checkbox"/> | MORGAN | | <input type="checkbox"/> | |

Dear Mr. Knecht:

As you know, Department employees are negotiating with us for purchase of lands for a freeway. (Incidentally, the initial offer is absurdly low by all standards).

Much of the land is over old areas mined by us many years ago. We consider it hazardous for highway use because of the danger of sudden subsidence. Department engineers have seemed unimpressed by our warnings. Of course, through instruments of conveyance or otherwise, our Company must have indemnity against damages for injury to person and property of others.

Also, as to some of the lands, we have not yet mined the second level. We shall insist upon reserving these mineral rights. Modern mining methods permit this without danger. We frequently mine under adjacent highways and uniformly reserve such rights. This reservation will benefit the State; otherwise, the surface value would be enhanced by the value to us as a gypsum producer of the sub-surface ore. We anticipate no problem in the matter of gypsum rights reservations.

We hope the Department appraisers will soon become realistic so that negotiations may be resumed.

This letter is being directed to you because of our past pleasant phone conversations. An extra copy is enclosed for your convenience.

Cordially,

GRAND RAPIDS GYPSUM COMPANY

Donald G. Slawson
Donald G. Slawson,
Executive Vice President
Treasurer

RECEIVED
MAR 2 1962

CIVIL ENG. &
HIGHWAY DEPT.
GRAND RAPIDS, MICH.

DGS:gd

P.S: Thought you might use an extra clipping.

February 20, 1962

Grand Rapids Gypsum Company
P.O. Box 34
Grand Rapids 1, Michigan

Attention Mr. Donald G. Stenson
Executive Vice-President, Treasurer

Dear Mr. Stenson:

Thank you for your informative letter of February 13 regarding the gypsum mines located on the west edge of the City of Grand Rapids.

The subject of engineering safeguards for the new freeway has been discussed with Mr. G. L. Stokstad, Design Development Engineer, and he is fully aware of the problems involved. Incidentally, I know that he appreciates the problem because he was with me the day your engineer took us through that part of the mine. This was during the time route location studies were in formulation.

As to the matter pertaining to the cost of right-of-way, I naturally hesitate to comment on that inasmuch as this is rightfully the job of the Right-of-Way Division. Therefore, I am sending them a copy of your letter for their information.

Thank you for your kindness and I certainly do recall our telephone conversations of the past.

Very truly yours,

John W. Knecht, Jr.
Director of Public Hearings

JWK:dmh

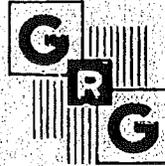
cc: C. L. Stokstad
H. H. Streukens

Nelson House 21 Feb 62

RECEIVED
GRAND RAPIDS GYPSUM COMPANY

FEB 19 1962

DIST. NO. 5
STATE HIGHWAY DEPT.
GRAND RAPIDS, MICH.



P. O. BOX 74
GRAND RAPIDS 1, MICHIGAN
GLENDALE 3-2413

File

February 15, 1962

Michigan State Highway Department
11 Fuller S. E.
Grand Rapids, Michigan

Re: CS 41029 D-Parcel 49

Attn: Mr. Donald P. Goeman
Right-of-Way Agent

Gentlemen:

We regret we cannot sign the Possession and Use Agreement. Among the reasons are:

We do not believe that the specific location is "required".

Reciting a "final offer" implies prior offers. Only one was made. There has been no attempt at negotiation. Request to read your appraisal was denied.

We will never "be prepared" to accept your initial offer.

We do not wish "additional time to consider" such offer. We will seriously consider any reasonable offer you care to make, as distinguished from the present "shock" tactic.

We cannot agree that the property has been "properly selected" and is necessary for public use. The road could readily be located farther from our plant as indicated on earlier maps. This would reduce the very substantial damages incident to depriving us of our waste disposal area. The road's location is also hazardous since it will be over areas mined by us in past decades where the land is apt to subside. We must have an indemnity agreement against injury to person or property, including the contractor, etc., before agreeing or conveying. Also, the full fee is not necessary; we must reserve our valuable gypsum deposits and access to others. Our modern mining methods now permit use of the surface without danger.

Also required is written assurance of construction and maintenance of drains for our mine and surface drainage water under the proposed highway. This amounts to almost three quarters of a million gallons daily and obstruction at any time would flood our many miles of mining corridors and faces.

Yours very truly,
Grand Rapids Gypsum Co.

George I. Fischer
George I. Fischer
Vice President-Manufacturing

March 8, 1962.

G. J. McCarthy,
Chief of Design

O. L. Stokstad,
Design Development Engineer

Grand Rapids Gypsum Company
ACC - 41029 D - 49

A conference with the Grand Rapids Gypsum Company was held in Grand Rapids on Wednesday, March 7, 1962. Mr. George Fisher and two assistants represented the Gypsum Company. The Highway Department was represented by Messrs. Clark, Koster, Rock, Allemeier, and Stokstad. Purpose of the meeting was to obtain information concerning mining operations and their influence on proposed expressway design and construction in the area.

The Gypsum Company provided a map of their property, showing expressway location and where this location rests over areas which have been mined out. Also, marked on the map are floor elevations of the old mine. Generally there is from 30 to 40 feet of rock still in place over the mine openings shown. Additional resistivity information is being requested to obtain definite information concerning the surface elevation of the rock.

Generally the thickness of the gypsum deposit removed varies from 7 or 8 feet in the more recent operation to the south and 12 feet in the older operations to the north.

Portions of the pillars were removed in the older north portion, with the result that partial collapse has occurred, causing surface settlements which can be observed.

Mr. Fisher was informed that the Grand Rapids Gypsum Company would not be expected to be responsible for damages which might be caused by or could be traced to collapse of rock formations in present mined-out areas.

O. L. Stokstad,
Design Development Engineer

OLS:VS

cc: J E Mayor
H J Koster
Karl Rock
A E Matthews

March 6, 1962

Mr. G. J. McCarthy
Chief of Design

Victor H. Kishorn, Director
Right-of-Way Division

ACC - #1029 D - 49 (G. R. Gypsum Company)

The attached letter reflects the above captioned property owner's reaction to our proposed taking, which poses problems that place the Department in a very untenable position as far as condemning this property is concerned.

In order to condemn this property on a sound basis, it will be necessary that certain factors be resolved - namely:

1. Is it feasible to allow the property owner to retain the mineral rights underlying our right-of-way? _____
2. If the property owner is allowed to retain the mineral rights, what restrictions should be placed upon mining activities or tunnels beneath the highway? _____
3. Can the Department assume responsibility for damage caused by subsidence due to construction or use of the highway? _____

If questions 1 and 3 can be resolved in the affirmative, our position should be favorable.

KJH:mas
Att.

cc: District
Gary Hultgren ✓
R. Bass
Cond. Cases. File
General File
Daily File

OFFICE MEMORANDUM



MICHIGAN
STATE HIGHWAY DEPARTMENT
JOHN C. MACKIE, COMMISSIONER

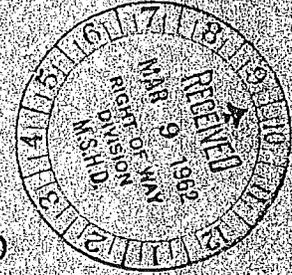
March 8, 1962.

To: V. H. Eishhorn, Director
Right of Way Division

Att: Earl Hart

From: G. J. McCarthy,
Chief of Design

Subject: M029 D - 49 (Grand Rapids Gypsum Company)



In your letter to me of March 6 concerning the acquisition of right-of-way on the subject parcel, you asked the following questions:

1. Is it feasible to allow the property owner to retain the mineral rights underlying our right-of-way?

We feel that considering the economics concerned with this problem that the property owner should be allowed to retain the mineral rights underlying our right-of-way. These mineral rights, of course, must be subject to stipulations listed under question number 2.

2. If the property owner is allowed to retain the mineral rights, what restrictions should be placed upon mining activities or tunnels beneath the highway?

Future mining operations must be conducted in a manner which will preserve proper highway support.

3. Can the Department assume responsibility for damage caused by subsidence due to construction or use of the highway?

Again economics is the predominant criteria that must be considered to answer this question. We feel that the State Highway Department must assume responsibility for damage caused by subsidence due to construction or use of the highway. This responsibility, in my opinion, would pertain only to the property acquired in fee as permanent highway right-of-way.

*This applies to present mine negotiations
GJM*

G. J. McCarthy
G. J. McCarthy,
Chief of Design

GJM:VS
cc: J E Meyer
W W McLaughlin
C B Laird
H J Rathfoot
O L Stokstad
N C Jones

March 9, 1962

*Follow up
File*

Victor H. Elshorn, Director
Right-of-Way Division

Lawrence F. Clark
District R.O.W. Agent

CS 41029, Parcel 49
Grand Rapids Gypsum

Attention: Ben E. Stanton
Chief, R.O.W. Acquisition

Gary Hultgren
Ass't Chief Appraiser

G. J. McCarthy
Chief of Design

H. Haun
R.O.W. Status

A teletype from Ben Stanton on March 6, 1962 asked me to attempt again to get a Possession and Use Agreement from the above company for the right of way we need.

I attended a meeting yesterday at Grand Rapids Gypsum Company office regarding problems they have presented. George Fisher who is Vice President and Manager of the works of said company represented Grand Rapids Gypsum Company. Also present were two mining engineers representing the company. Besides myself for the Highway Department there were Karl Reek, District Soils Engineer, and Robert Koster, Ass't Road Engineer, from this office. From Lansing there were Leat Alexander, Ass't Engineer of Soils and O. L. Stokstad, Design Development Engineer.

Their greatest objection is the necessity of the location of our right of way by present prints acrossed their property. They had a set of prints probably put out at the time of the public hearing for this project which is approximately two years ago last summer. At that time our right of way line was approximately 200 feet or more from where its now located. The right of way line now comes approximately 30 feet from one of their buildings. This area was used for dumping waste material and is very convenient to their manufacturing unit. They claim they have dumped 3,000 to 4,000 tons of waste a year. They also claim loss of this area would necessitate them buying another truck and possibly a two mile round-trip haul for dumping waste. They claim this is very serious damage to their overall operation. I asked Mr. Fisher how much damage he would estimate this to be. He claimed that with the mining area they still have there is an economic life of 100 years and the damage would be approximately \$100,000.00.

They would like a waiver of their responsibility for damages caused by subsidence due to our construction of the highway. I asked him at this point if they were willing to make a bilateral agreement incorporating this waiver of responsibility, but also a guarantee on their part of where our roadbed crossed the areas still mined they would agree to a reasonable distance over said roadbed for these mining operation so as not to cause subsidence. They said they would agree to such a bilateral agreement.

They also claim that our appraisals were ridiculous in the amount offered and mentioned a couple of sales in the area to Consumers Power Company. I informed him that most Consumers Power Company purchases cannot be considered average market sales and explained why. I also explained to him that under the L.W. of Eminent Domain we are compelled to appraise takes for highway purposes using legitimate

Page 2 - March 9, 1962

comparable sales in the area.

I think this covers all of the conversation pertinent to right of way acquisition.

They brought up drainage problems with the Construction Engineer and subsidence problems with the Soils Engineer. I think that Mr. Stokstad and Mr. Almsness are making reports regarding the rest of the conversation.

I gathered from the conversation that there might be a doubt as to whether the route across areas of the property that have been mined was sound.

I think our appraisals are adequate and that the comparables used are fair as far as the real estate is involved. It is possible that someone like E. H. Dix Associates should be hired to make a study on the damages they claim because of the loss of convenient dumping area, as I outlined it above.

I will be waiting for my decision that may be made on this parcel.

LPG/ce

cc: Gary Maltgren
J. R. McCarthy
Dick Ross