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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: *CHG*
C. Heidi Grether, Director

DATE: April 11, 2018

SUBJECT: Sand Dune Mining Annual Report

In accordance with Section 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 fiscal years 2016 and 2017.

If you need further information, please contact Harold R. Fitch, Director, Oil, Gas, and Minerals Division, 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 Walsh, Director, State Budget Office
Darin Ackerman, Governor's Office
Angela Ayers, Governor's Office
Josh Sefton, Senate Fiscal Agency
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Adam W. Wygant, DEQ
Rick Henderson, DEQ
Michael J. Sweat, DEQ

Sand Dune Mining Annual Report (Fiscal Years 2016 and 2017)



Department of Environmental Quality Oil, Gas, and Minerals Division

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:
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Sand Dune Mining Annual Report Fiscal Years 2016 and 2017

The Department of Environmental Quality (DEQ), Oil, Gas, and Minerals Division (OGMD), 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. The amount collected is commensurate with the funds needed to cover program costs.

All sand dune mining sites are located within two miles of the Lake Michigan shoreline. Most of the currently active sites are located between Benton Harbor and Muskegon. One site is located in Mackinac County in the Upper Peninsula.

Permitting Activities

The OGMD received and processed 3 renewals in 2016: Permit Number SPC-PS-116-R Plateau Site in Moran Township, Mackinac County; WFR-WRP-122-R Walter F Rohn in Blaine Township, Benzie County; and SAS-LS-108-R Ludington Site in Hamlin Township, Mason County. A public hearing was held for the latter, with an attendance of about 100 people and the receipt of 75 comments from the public and industry. Each permit was renewed for a five-year period. There were no renewals in 2017, and no permits expired in 2016 or 2017.

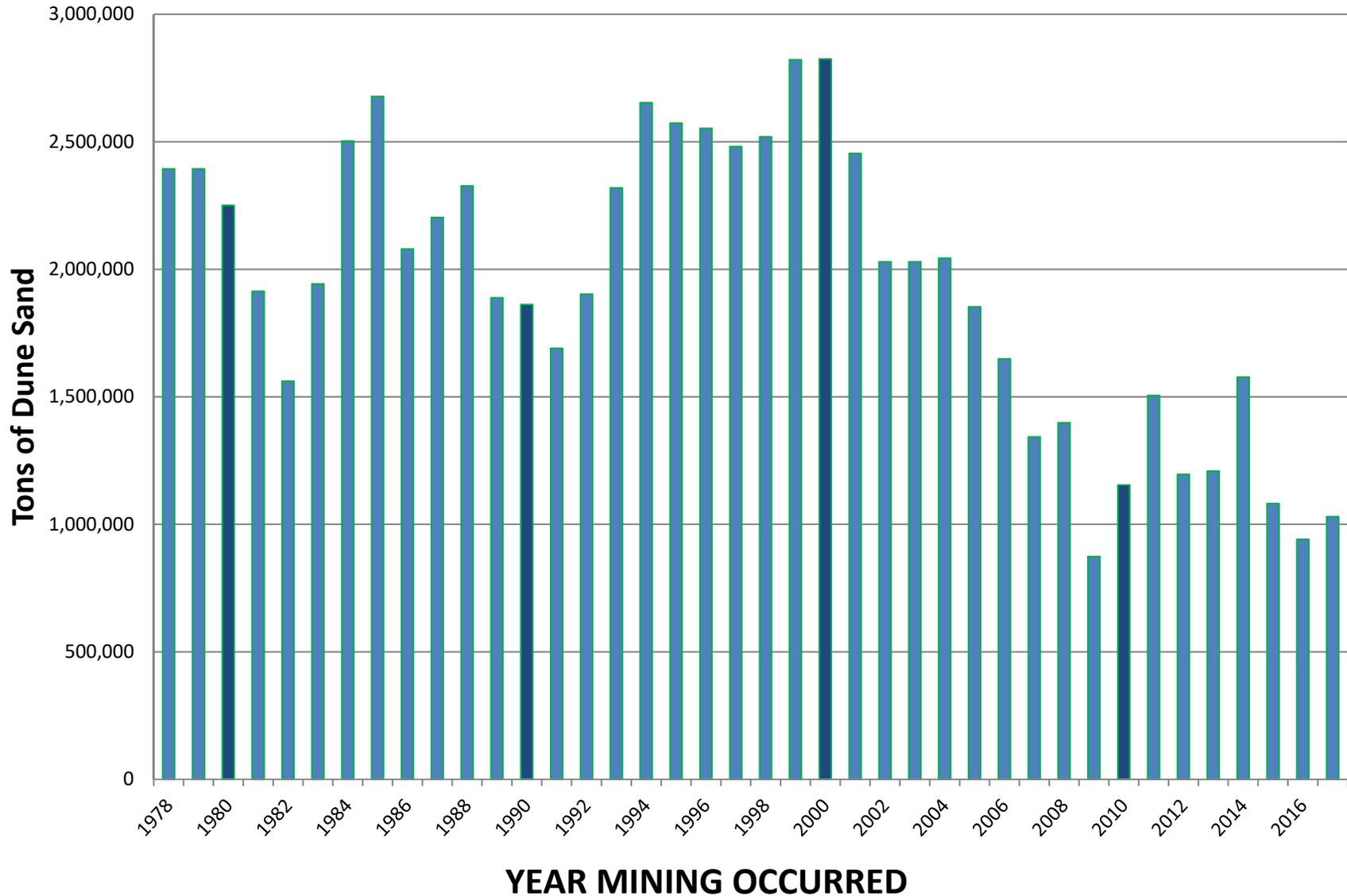
Surveillance and Enforcement Activities

OGMD staff conducted a total of 13 on-site inspections at permitted sites in fiscal year (FY) 2016 and FY 2017 and responded to two inquiries/complaints in FY 2017. No significant issues occurred that required enforcement action, and companies were in compliance.

Revenue and Expenditures

Total money received from sand dune mining surveillance fees totaled \$48,656 for FY 2016 and \$65,890 for FY 2017. Expenditures totaled \$31,727 and \$37,709, respectively. 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 are maintained such that the Sand Extraction Fee Revenue Fund (Fund) maintains a balance of approximately one to two years of operating expenses. Owing to the nature of sand dune mining, even after production ceases, there is post-production reclamation requiring some oversight until closure. Unexpended money in the Fund is carried forward each year. The balance in the Fund at the end of FY 2017 was \$194,113.

**Sand Dune Mining Annual Report
Fiscal Years 2016 and 2017**



Annual dune sand production, in tons, from 1978 through 2017

During 2016: 941,292 tons of sand were produced from nine permitted sites.

During 2017: 1,029,669 tons of sand were produced from nine permitted sites.

1978-2017: 77,697,543 tons of dune sand have been produced.

**Sand Dune Mining Annual Report
Fiscal Years 2016 and 2017**

Permit Number	Company Name	Site Name	Status	Renewal
TS-GP-100	Technisand, Inc.	Gulliver-Peters Site	Closed 2006	N/A
TS-BP-101	Technisand, Inc.	Busse Property	Closed 2014	N/A
TS-GS-102	Technisand, Inc.	Garage Site	Closed 1996	N/A
TS-NP-103	Technisand, Inc.	Nadeau Pit	Active (Permitted 1979)	2020
TS-RP-104	Technisand, Inc.	Rose Pit	Closed 1996	N/A
TS-BS-105	Technisand, Inc.	Bridgman South Site	Closed 1997	N/A
TS-BN-106	Technisand, Inc.	Bridgman North Site	Closed 1996	N/A
TS-NS-107	Technisand, Inc.	Nadeau Site (Taube Road)	Closed 2015	N/A
SAS-LS-108	Sargent Sand	Ludington Site	Active (Permitted 1981)	2021
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	N/A
CWC-LHRS-111	CWC Castings	Lake Harbor Road Site	Closed 1987	N/A
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	N/A
SPC-PS-116	Sand Products	Plateau Site	Active (Permitted 1983)	2021
HJT-TP-117	Tanis, Harold J.	Tanis Property	Closed 1992	N/A
TS-AS-118	Technisand, Inc.	Austin Site	Closed 2001	N/A
TS-GAR-119	Technisand, Inc.	Garlanger	Closed 2001	N/A
WR-RS-120	Woodland Ridge II, L.L.C.	Rycenga Site	Closed 2006	N/A
SE-DS-121	Star Excavating	Dokter Site	Closed 1994	N/A
WFR-WRP-122	Rohn, Walter F	Walter Rohn Property	Active (Permitted 1991)	2021
WD-TSS-123	Woodland Development	Tiffany Shores Site	Closed 1995	N/A
Denied/124	Hart-Packing	Silver Lake Site	Closed 2001	N/A
CAC-NSS-125	Construction Aggregates	North Sag Site	Closed 2001	N/A
NLN-NLS-126	Genzink, Steve	New Life Nursery	Closed 2001	N/A
DPD-DP-127	Drooger, Dennis P.	Drooger Property	Closed 1994	N/A
OE-OES-128	Owens Excavating	Owens Excavating Site	Closed 2004	N/A
WGI-BSS-129	Waters Group, Inc.	Blair Street Site	Closed 2001	N/A
CB-CBS-130	Beasley, Charles	Charles Beasley Site	Closed 2005	N/A
HA-GBF-131	Aussicker, Harold	Gold Barn Farms Site	Closed 2007	N/A
DS-LWS-132	Slikkers, David	Legacy Woods Site	Closed 2006	N/A
MES-ES-133	Martin Emery	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” means permit must be renewed by December 31 of the specified year.