

TOWN OF DOVRE

TOWN BOARD MEETING

The DovreTown Board met at 6:00 p.m. on June 3, 2014 at the Dovre Town Hall located at 304 25 ½ Street. Nine (9) Town of Dovre Residents and Guests were present. Names of persons present at the meeting are on file with the Clerk/Treasurer. Greg LaFond Present; Bob Archibald representing Sioux Creek Silica, LLC; Jason Hanson representing Chieftain Sand and Proppant, Barron LLC.

Chairman Dean Trowbridge called the Meeting to order at 6:00 p.m. Roll Call - Supervisors Present – Tim Nelson – Dan North - James Plummer – Dean Trowbridge and Mitch Hanson – Absent - . Clerk/Treasurer – Linda K. Reinolt Present.

Agenda – Chairman Trowbridge presented the Agenda stating a change in the Agenda with adding Northern Industrial Sands, following Chieftain Sand and Proppant Barron LLC. Motion by Trowbridge, seconded by Nelson to approve the Agenda with the changes as presented by Chairman Trowbridge, No further Discussion, Motion Carried, Unanimous Yes Vote.

Greg LaFond provided copies of the Town of Dovre proposed Operations Agreement with Sioux Creek Silica, LLC Sioux Creek Silica, LLC proposed Operations Agreement and A Summary of Differences between the two (2) proposed Operations Agreements. Copy of the Summary of Differences is attached to Clerk's Minutes and is available and on file.

Greg LaFond proceeded to lead the Town Board and those present through the points of Difference between the two (2) documents.

Exhibits & Maps – Exhibits & Maps have not been provided and are needed for final approval of an Operations Agreement. SCSand will provide these Maps.

Article 13 – Conflict with Ordinance - SCSand deleted this Article - - Why Deleted? SCSand Attorney felt Agreement should supersede the Ordinance. LaFond feels it should remain in Agreement.

Scope – Town needs a Map referenced as an Exhibit and a list of all parcels impacted by the conveyor. SCSand will provide legal descriptions and maps to show where ½ mile is.

Page 3, Paragraph 1 - SCS deleted reference to indicate which parcels are part of Agreement. SCSand does not know why Attorney deleted this. LaFond suggest it should remain in Agreement.

Article 2 – Renewal Term - SCSand inserted language making the renewal Automatic if SCSand is not in "Material Breach" of the Agreement. LaFond – Need the legal definition of "Material Breach". LaFond suggests Town should reject SCS Language. Town Board discussed and will have Attorney Thiel review Article 2 and make recommendation.

Page 4 – Item 7 – Spelling Error Corrected.

Page 5 – Item 16 - Town needs exhibit showing map of "Load-Out Facility" on the 5 acres of leased Olson Property. SCSand will provide. SCSand will be entering Facility through Janota Property.

Page 5 – Item 17 – SCS removed the reference to an annual royalty payment. LaFond stated the reference had already been removed from Agreement.

Page 6 – Item 26 - Eligible Owner Definition - SCSand removed part of paragraph – LaFond - Is OK as changed.

Page 7 – 4.2 - OK

Page 9 - 10 – SCSand added to paragraph; LaFond – OK but need to change "Owner does not provide" to "Owner provides".

Page 10 – 6.2 – Refers to obtaining necessary Commercial Bulding Permits for "Load Out Facility". SCSand will need Building Permit Fee Schedule". Commercial Buildings Permit is \$.15 Per Square Foot. A Building

Permit is also needed for construction of the 4 ½ Mile Conveyor to be built. Following discussion, Chairman Trowbridge suggested a Building Permit Fee for the Conveyor of \$.10 Per Foot not to exceed \$2000.00. SCSand Agreed.

Page 10 – 6.4 – Blocking Town Roads with Trains - LaFond - accept SCSand language change.

Page 11 – C – Lighting – LaFond suggest to accept SCSand language change

Page 12 - E2 – Sweeping Roads – Remain as written.

Page 12 – 4 – Berms and Vegetative Barriers – Remain as Written

Page 12 – 7B – Remove “Central Daylight Savings Time” - LaFond - Accept Change.

Page 13 – 7.7 - Limited use of Town Roads during building of Conveyor System. SCSand – If need to ask for longer haul time because of unforeseen problems, need changed language -“Specifically” to “Initially” and Notification to Board must be made 60 days in advance if more than 12 months will be needed for hauling sand and at 12 months and 1 day the Royalty Payment will be \$.05 per ton and \$.05 increase each month thereafter with a cap of \$.25 per ton. Board wants to be informed as project moves along. SCSand Engineer /Representative, Bob Archibald stated he will be at the Town Board Meetings to let the Board know what is going on and happening with this project.

Page 13- 7.8 – Responsibility for Damage. - LaFond – Accept Change.

Page 14 – Article 9 C & D – Breach of Agreement Resolution Procedure - Arbitration and or Court – The Board will have Attorney Thiel review and make recommendation.

Page 15 – 134.7 – Spelling Corrected

Page 15 – 14.8 - Applicability of Ordinance – SCSand removed - LaFond – Leave paragraph in Ordinance.

Town Board discussion: If a Sand Company owns a piece of property, that property would not be eligible for Property Value Guarantee.

Dan North and Greg LaFond will met with Attorney Thiel on Thursday, June 5th to review and discuss the proposed Sioux Creek Sand Operations Agreement. The Operations Agreement will be voted on at a Town Board Meeting.

Sioux Creek Silica, asked that the Board meet this current week again to approve Operations Agreement, as he needs to have the Operations Agreement completed this week. He will have the exhibits requested available tomorrow.

Supervisor Nelson suggested that this approval could be done on Tuesday, June 10, at the regular scheduled Town Board Meeting, with Supervisors North and Plummer in agreement.

Chairman Trowbridge said he would do whatever needs to be done to have this Meeting on Thursday, June 5, 2014. Trowbridge will not be at the Meeting, but 3 Board Members is a quorum. He would post Meeting Notice tomorrow, if other Board Members will agree to June 5th 6:00 p.m. Board Meeting.

Supervisor Nelson – Feels this can be done at the June 10th Town Board Meeting, Supervisor North – If no big changes takes place with the Operations Agreement, He will agree to the June 5, 2014 meeting date and Supervisor Plummer also will agree to the June 5, 2014 Date.

Motion by North to have a Town Board Meeting at 6:00 p.m. on June 5, 2014 at the Dovre Town Hall, with proper Notices Posted with regard to Adoption of Operations Agreement with Sioux Creek Silica, seconded by Plummer – Roll Call Vote – North – Yes; Plummer – Yes; Nelson – No; Trowbridge – Abstain, Motion Carried.

Question: Why do properties along the conveyor route get Property Value Guarantee and people along the haul routes are not eligible for Property Value Guarantee. Answer: Houses on AA – and other haul routes are covered under the Town of Dovre Property Value Guarantee Resolution. Mary Nietzel - I do not know

where the Conveyor will be built and have not seen any map regarding the conveyor. Mary would like to see where it is going to be built. Bob Archibald with Sioux Creek Silica proceeded to show Mary and others on a map displayed in the Town Hall where the conveyor will be built.

Chieftain Sand and Proppant Barron LLC has presented a written request to Town of Dovre Board to resume Mining at the Anderson Sand Pit. Chairman Trowbridge proposed looking at last years Agreement with limit to 13 or less trucks.

Chieftain Sand is requesting to run 18 trucks per day per Clint, the Mining Engineer. Town will not allow 18 Trucks to be used.

Supervisor Plummer, said that Chieftain has never followed through on the promises made to the Board and everything needs to be in writing. They Never do what they say they are going to do! The only people Plummer feels he has been able to talk to at Chieftain and feel the truth is told is Jason Hanson and Mr. Pendergrass.

Chieftain plans to haul 750,000 Tons out and will need to haul 1 ½ Million tons back into the Anderson Mine, per their approved Reclamation Plan.

Chairman Trowbridge stated that a new Agreement must be drawn up between the Town and Chieftain with regard to the Anderson Mine Project.

The Town of Dovre requires Documents from Chieftain Sand and Proppant, LLC to be presented at the June 10th Town Board Meeting or prior to stating the following: They will Grind and Pulverize 3rd Avenue Haul Route to Anderson Mine and Blacktop 3rd Avenue when haul is completed. They will be allowed to Haul from June to November 15, 2014 with 13 Trucks and on Saturdays, hauling will be done at 12:00 p.m. Proposed Tonnage needs to be in writing and the time frame of getting done with this job. Entrance at Chieftain Mine must be blacktopped and the adjustment with Great Northern Sand with regard to crossing their Haul Route on 25 ½ Street must be in writing. Chairman Trowbridge stated that if they use more than 13 trucks, he will shut them down. We have had a bad situation with Chieftain Sand. The Town also wants information on Who will be doing the Sand Hauling? They must have mud flaps on trucks, tarps covering sand hauled, Speed – 45 MPH and no Jake Brakes. Chieftain stated that they had hired a company to haul and that company hired Haulers to drive for them from a 3rd party.

Northern Industrial Sand: When can they start working on Site Preparation? #1 - An Agreement needs to be drawn up between Town of Dovre and Northern Industrial Sand.

Motion by North to Adjourn Meeting and 2nd by Trowbridge, Motion Carried.

Linda K. Reinolt,
Clerk/Treasurer
Town of Dovre, Barron Co