

The People's EIS Scoping Report

**Citizen Comments on the Necessary Scope and Depth
of the Environmental Impact Statement
on the Minnesota Sands Frac Sand Proposal**



September 2013

Compiled by the Land Stewardship Project
from the comments of the 100 attendees
of the People's EIS Kickoff Meeting,
July 9, 2013, Rushford, Minnesota



Update – January 10, 2014

Since this report was compiled and released, citizens' concerns about the multiple and severe impacts of proposed frac sand mining have continued to increase. However, the Minnesota Sands frac sand mining proposal has not been withdrawn, and the Environmental Impact Statement (EIS) on the proposal has not yet been completed.

Under Minnesota law, the EIS must be paid for by the project proposer. On October 31, 2013, Environmental Quality Board staff sent Minnesota Sands a cost agreement contract for the costs of the first stage of the EIS, the scoping process. Minnesota Sands has not yet responded to that contract; the EIS process cannot proceed until the contract is signed. If the contract is signed, scoping can begin immediately. The continued engagement of people who are concerned about this proposed project's impacts on their lives and communities will be crucial throughout the process. In fact, it is only due to citizen engagement that the law was followed and an EIS was ordered on the Minnesota Sands proposal.

For further updates, please contact LSP's Johanna Rupprecht at 507-523-3366.

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This report is available online at www.landstewardshipproject.org.

For more information, contact Johanna Rupprecht,
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Introduction

On Tuesday, July 9, 2013, 100 people attended a Land Stewardship Project meeting in Rushford, Minn., to state their serious concerns about the destructive impacts a frac sand mining proposal would have on their lives and communities and to raise the specific issues that must be included within the scope of the Environmental Impact Statement (EIS) being done on the proposal. Their comments are compiled in this report.

Background

Major expansion of silica sand mining, processing and transportation in southeast Minnesota is being pushed by the oil and gas industry and other financial interests in order to supply “frac sand” for the extraction of fossil fuels by hydraulic fracturing (or “fracking”) in North America. The hard-sell business and political tactics used by the proponents of frac sand mining and development have failed to suppress the very real concerns of the people of southeast Minnesota regarding the potential for serious adverse health, environmental, economic and social impacts from frac sand mining and related activity. This report begins to express the concerns being raised by Minnesota citizens, with reference to the necessary scope and depth of the frac sand EIS soon to be carried out by Minnesota’s Environmental Quality Board (EQB).

Southeast Minnesota residents have seen the devastating impacts the frac sand mining industry has had on rural communities in western Wisconsin over the past several years. As has been well documented, air and water have been polluted, farmland and landscapes destroyed, the integrity of public officials and public processes severely undermined, local economies threatened, and quality of life diminished, all for the benefit of corporate oil and gas interests. Towns such as Winona and Wabasha are already feeling the impacts as sand from Wisconsin is trucked across the Mississippi River for processing and shipping. Recently, the frac sand industry has sought to gain a major foothold in southeast Minnesota with new proposed mines and facilities. Minnesota’s environmental review process can provide an opportunity for full details of these proposals and their negative impacts to be disclosed before permitting decisions are made, so that local governments can make wise decisions about whether to allow this industry to take hold in their communities.

A major proposed frac sand mining project including at least 11 mines in three southeast Minnesota counties will soon undergo an EIS. Under Minnesota law, this study must consider the environmental impacts of the project along with its economic, employment and sociological effects. The 11 mines are proposed by a company known as Minnesota Sands, LLC, and include: the Boyum, A. Dabelstein, Kesler and Wadewitz mines in Pilot Mound Township, Fillmore County; the Chapel, Johnson, Olson and Tostenson mines in Houston Township, Houston County; the Erickson mine in Yucatan Township, Houston County; and the R. Dabelstein and Yoder mines in Saratoga Township, Winona County. These mines’ proposed size is a total of 615.31 acres, nearly four times the threshold of 160 acres for which an EIS on frac sand mines is mandatory under Minnesota law. At the request of all three affected counties due to the multi-jurisdictional nature of the Minnesota Sands proposal, the EQB (made up of the commissioners of nine state government agencies along with five citizens) has become the agency responsible for carrying out the EIS. The EQB has not yet made public any draft scoping document detailing the impacts it proposes to study. The following report serves as the people’s scoping document, describing the issues that must be included if the EIS is to serve the public interest.



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Tuesday, July 9, 2013
Rushford, Minnesota

Members and Staff of the Environmental Quality Board
520 Lafayette Road N
Saint Paul, MN 55155

Dear Environmental Quality Board members and staff,

As citizens of Fillmore, Houston, and Winona counties and nearby counties in southeastern Minnesota, we are deeply concerned about the impacts of proposed frac sand mining, transportation, and processing activity on our lives, our homes, and our communities. We have come together to share these concerns with each other and with you, and we ask that you listen to our voices as you begin to carry out the mandatory Environmental Impact Statement on the multi-county frac sand mining project proposed by Minnesota Sands, LLC. To serve the interests of citizens and fulfill your responsibility as public officials, you must ensure that this study is comprehensive and rigorous. It must include the full scope of the issues we have raised together, as compiled in the following report.

Sincerely,

Bob Resby Houston Mike Kennedy Winona
Keth Laker Winona Pat Bembo Fillmore, MN
Aurora Krause Winona
Paul & Ann
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Vince Ready ST. CHARLES WINONA CITY
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Doug Neppar, Winona, MN
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Section 1: Air

As was expressed at the July 9 meeting, southeast Minnesota residents are deeply concerned about the impacts of the Minnesota Sands frac sand mining project on air quality. Both the crystalline silica particles generated by frac sand mining and the diesel exhaust from heavy truck traffic have been identified as threats to public health.

Residents made it clear that the EIS must first compile baseline data on current air quality conditions and related health issues, so that the potential impacts of the Minnesota Sands proposal can be studied in comparison to existing conditions.

The inhalation of crystalline silica dust is known to contribute to silicosis and other lung diseases, as well as immune system diseases. Crystalline silica particles, generated by the fracturing of silica sand, have been found in ambient air near frac sand mining and processing sites, and neighbors of these sites in Wisconsin have experienced extreme levels of dust entering their homes. In the interest of protecting the health of local people, the EIS must include a comprehensive and independent assessment of the amount of crystalline silica that would be generated by Minnesota Sands' mines and activities and the associated risks to neighboring residents. Crystalline silica must be taken into account as an air quality issue both near frac sand mines and processing sites and along frac sand hauling routes, due to the potential for sand and dust to leak from trucks.

Diesel particulates are also a significant air quality hazard and a known carcinogen. The Minnesota Sands proposal includes the hauling of frac sand by diesel trucks at a rate of hundreds of truck trips per day. The EIS must include full disclosure of the exact proposed routes and exact numbers of truck trips, along with an assessment of the amount of diesel exhaust that would be generated and the associated health risks.

In particular, local residents state that the EIS must study the impacts of crystalline silica and diesel exhaust on susceptible populations, including children, people with asthma and other respiratory problems, and people with autoimmune diseases. As many of the proposed mine sites and haul routes are located on farmland and near working livestock farms, the impacts of diminished air quality on livestock must also be considered.

Section 2: Water

Local residents have serious concerns about the high potential for groundwater contamination should the Minnesota Sands frac sand mining project be allowed to take place in the karst region of southeast Minnesota. Other water-related concerns include chemicals used in frac sand processing and contaminated materials returned to mine sites, the potential depletion of aquifers due to the extremely high volume of water use in frac sand mining and processing, and the impacts of failure to control wastewater and stormwater runoff at frac sand mines. As with air quality, the EIS should include a compilation of baseline data on current water quality conditions in the areas that would be impacted by Minnesota Sands' proposed mines.

Due to the prevalence of karst conditions in southeast Minnesota, many local people find the frac sand industry to be inherently incompatible with the geology of the area. Industrial-scale mining in this region will increase the potential for disruption and contamination of the already

vulnerable groundwater systems. Local residents make it clear that the EIS must include comprehensive studies of existing karst features and hydrogeological analyses of each proposed Minnesota Sands mine site and the surrounding areas, including dye tracings to determine the patterns of water flow and of potential contamination. The potential for disruption and impairment of the area's many trout streams, a significant local resource, must be included in this study. In particular, the potential for stream temperature rise due to the depletion of cold spring water flow should be examined, along with the potential for negative impacts on trout streams due to sedimentation.

The sand desired by the oil and gas industry provides filtration of local groundwater, and the threat to water quality from the removal of this sand should also be studied in the EIS. Frac sand mining targets the top of the geologic sequence of sand layers that contains the source of water for nearly all the wells of all the towns, all the farms and all the homes in southeastern Minnesota. Removal of the higher layer of cap rock in order to extract the sand below may also negatively impact water filtration.

In addition to increasing the potential for contamination by disrupting local water systems, the frac sand industry also introduces potential chemical contaminants, such as flocculants used in sand processing. Preliminary information on some of Minnesota Sands' proposed mines has indicated that waste sand contaminated with these chemicals may be returned from processing sites and left at mine sites, creating a pollution risk for decades to come. Local residents comment that the EIS must include complete disclosure of all types and amounts of chemicals that would be used at or brought to the Minnesota Sands mine sites and thorough study of the potential impacts of these chemicals on water quality and public health.

The complete amounts and sources of water proposed to be used by Minnesota Sands' frac sand mines and in the associated sand processing operations must also be disclosed in the EIS. Southeast Minnesota residents have serious concerns that the extreme amounts of groundwater used by the frac sand industry will draw down local aquifers. Residents who live near the proposed mine sites are deeply concerned about the impacts, including both contamination and depletion, to the wells they rely on for drinking water for their families and livestock. Local people require the EIS to include a thorough assessment of impacts on nearby private and public wells.

Local residents also say that the EIS must include a study of the water quality impacts of potential failure to control wastewater and stormwater runoff at the proposed Minnesota Sands mines. It has been well documented that frac sand mine operators in Wisconsin have repeatedly allowed contaminated water and sand sludge to pollute nearby properties, streams and rivers. The EIS must consider the effects of extreme rain events and floods, such as the floods experienced by Houston and Fillmore counties in June 2013, on the proposed frac sand mines and their water containment systems.

Section 3: Land

Frac sand mining destroys the land itself. The destruction that the Minnesota Sands mining project would bring to this portion of the Driftless Area, a place now valued for its natural beauty and biodiversity, is of major concern to residents of Fillmore, Houston and Winona counties.

Local people deeply value the beauty of the landscape of Fillmore, Houston and Winona counties, particularly the bluffs and hills. These features draw both visitors and new residents to the area. At its various mine sites, Minnesota Sands proposes to take down hills or to carve away at bluffs. Residents state that the EIS must take into account the aesthetic impacts of this irreversible damage to the landscape.

Local residents make clear the need to preserve the land for future generations, and note that frac sand mining would negate the impacts of conservation efforts currently in place on land in the area. The land that would be destroyed by Minnesota Sands' frac sand mines includes both current farmland and pastureland, and natural lands that provide habitat for numerous plant and animal species. Southeast Minnesota is a place of intense biodiversity. Comprehensive baseline data on the animal (including birds and insects) and plant species currently found at and near each of the proposed mine sites must be gathered as part of the EIS. The impacts of the destruction of habitat through frac sand mining must be thoroughly studied for all of these species, and particularly for rare and threatened species.

Section 4: Transportation

The Minnesota Sands frac sand mining proposal includes the trucking of sand from the 11 proposed mines to offsite processing facilities. Area residents have major concerns about the impacts of frac sand transportation on their safety and on local public infrastructure. They have commented that the EIS must first gather baseline data regarding traffic conditions, road conditions and safety, to which the impacts of the proposed project can then be compared.

Local residents require that the EIS include full disclosure of all truck routes to be used to haul sand from the Minnesota Sands mines and the exact locations of all processing site destinations for the sand. It must also include disclosure of the exact number of truck trips proposed to take place, per mine, per day, and the hours during which hauling would occur. Citizens note that the EIS must also include disclosure and study of any other forms of sand transportation proposed to be used as part of the Minnesota Sands project, such as slurry pipe systems, rail, or barges. While Minnesota Sands has not yet disclosed route and truck information for several of its proposed mines, the company has indicated in earlier environmental review documents that the Yoder and R. Dabelstein mines alone would each generate 600 truck trips, per mine, per day. This level of truck traffic is unprecedented for the area's rural roads.

Local people call for the EIS to include a thorough study of the impacts of this extreme increase in truck traffic on public safety. The area's two-lane, rural roads are not designed for heavy truck traffic. Local residents have particular concerns about the safety risks for children using school buses, for teenagers learning to drive, and for bikers. The safety of children and others crossing the road or street is also a major concern, especially in communities such as Rushford, where trucks from the Erickson mine are proposed to run down the main street directly past the school, and Winona, which is currently anticipated to be the processing destination for the sand from many or all of Minnesota Sands' mines. As discussed in Section 1, the diesel exhaust from heavy truck traffic must also be studied as a serious public health concern.

Residents of Fillmore, Houston and Winona counties are also seriously concerned about the damage Minnesota Sands' extensive frac sand trucking would do to local roads and bridges. The potential for the public to be forced to bear the costs of such infrastructure damage is a major concern. The EIS must thoroughly study the impacts of the transportation elements of Minnesota Sands' proposal on local road and bridge infrastructure and carefully assess the potential costs of those impacts and who would pay them.

Section 5: Economics

The frac sand industry is an example of corporate overreach into local economies and communities. The ultimate benefit of the industry goes to the oil and gas corporations profiting from the end use of the sand, not to local communities. Residents of Fillmore, Houston and Winona counties are deeply concerned about the effects of tying their local economies to an outside, unstable industry by allowing a major frac sand mining project to take place. The economic impacts of the Minnesota Sands proposal, including damage to property values and to existing local industries, must be thoroughly examined in the EIS.

Local people question the compatibility of the Minnesota Sands frac sand mining project with the existing agricultural economy of the area. As discussed in earlier sections, frac sand mining destroys farmland and threatens the health of livestock by diminishing air and water quality. Citizens note that the EIS should include a thorough study of the project's impacts on agriculture.

Frac sand mining's threat to southeast Minnesota's tourism industry is another issue of serious concern to local residents. Visitors are currently drawn to the region for its natural beauty and its outdoor recreational activities, including fishing, biking, canoeing, hiking, birding, hunting, photography and agritourism. Arts and cultural opportunities also play a significant role in the region. The area's many high-quality trout streams are a major draw for visitors and are particularly threatened by frac sand mining. Tourism-related spending is a major part of the local economy and generates income and employment for many local people. This thriving industry would be irrevocably damaged if the frac sand industry were allowed to take hold and destroy the qualities that now bring visitors to the area. Local people require the EIS to include a comprehensive assessment of the Minnesota Sands project's impacts on tourism and related local businesses.

Local citizens need the EIS to thoroughly assess the employment impacts of the Minnesota Sands project, including both jobs that may be generated by the project and jobs that would be lost due to the negative impacts on existing industries. For any employment that would be generated by the proposed project, the EIS must disclose the number of jobs; their hours, wages and benefits; whether they would be permanent or temporary; the qualifications that would be required; and whether they would be made available to local people. Mining is well understood to be a highly unstable, boom-and-bust industry, not a reliable source of long-term, local employment.

Also extremely important are the deep concerns landowners and homeowners have about the potential collapse of property values as a result of Minnesota Sands' proposed frac sand mining

and trucking activity. These local people call for the EIS to comprehensively assess this proposal's potential impacts on neighboring property values.

Section 6: Quality of Life

Local citizens have major concerns about the many ways in which the Minnesota Sands frac sand mining project would negatively impact the quality of life of individuals and communities. These quality of life impacts must be taken into account in the EIS.

The Minnesota Sands frac sand mining project, if permitted, would result in the transformation of rural areas in Pilot Mound, Houston, Yucatan and Saratoga townships into industrial areas. This industrialization would diminish the quality of life of nearby rural residents. In particular, local people are concerned about the impacts of blasting as well as noise and light pollution. The noise of frac sand mining activity, including blasting, and of constant truck trips would negatively impact neighboring people as well as wildlife. Noise, light and other impacts of this industrial activity on quality of life must be included in the EIS. Citizens also state that the EIS must consider the psychological impacts, such as anxiety and depression, on people who would be forced to see the landscape of their home destroyed by frac sand mining.

Residents near the proposed mine sites and in the surrounding communities are deeply concerned that frac sand mining will tear their communities apart, damage relationships, destroy the democratic process, and diminish quality of life in these communities for generations to come. Local people are well aware of the social impacts on Wisconsin communities taken over by frac sand mining, as well as the history of communities where strip-mining has taken place elsewhere in the U.S., and they do not view this as a desirable future for southeast Minnesota. They seek to preserve their cultural heritage, their ways of life, and the qualities for which they value their communities. Southeast Minnesota residents need the EIS on the Minnesota Sands project to include an assessment of the community-wide social and quality of life impacts of this proposed frac sand mining.

Section 7: Disclosure

Along with the air, water, land, transportation, economic and quality of life concerns detailed in this report, residents of Fillmore, Houston and Winona counties also have serious concerns about the identity and track record of Minnesota Sands, LLC. The company first filed with the Minnesota Secretary of State's office on February 27, 2012. It has also attempted to do business under the name Minnesota Proppant, LLC, and under that name proposed what would have been North America's largest frac sand processing plant in Saint Charles, Minn. In previous stages of the environmental review process, citizens have found this company unwilling to be forthcoming about its identity and the connections of various elements of its proposal to each other.

Local people require that the EIS process include full disclosure of the identities of Minnesota Sands' owners, investors and financiers and their political ties. Potential conflicts of interest are a matter of serious concern. Local residents also require proof that the company has experience in the operation and reclamation of frac sand mines. Any additional proposed mines associated with Minnesota Sands or Minnesota Proppant (such as the Campbell mine in Saratoga Township,

Winona County), as well as any processing facilities currently proposed by the company, must also be included in the EIS.

Summary

If it is to serve the interests of the people of southeast Minnesota, the Environmental Impact Statement on the proposed Minnesota Sands project must include, at minimum, the following:

1. Baseline data in all relevant categories (including but not limited to air quality, water quality, health conditions, wildlife and plant life, traffic and road conditions) so that the potential impacts of the project can be compared to current conditions.
2. Study of the crystalline silica dust that would be generated by the proposed project, and the associated health risks.
3. Study of the diesel exhaust that would be generated by the proposed project, and the associated health risks.
4. Study of the impacts of crystalline silica and diesel exhaust on particularly susceptible populations, including children and people with respiratory problems.
5. Study of the impacts of crystalline silica and diesel exhaust on livestock.
6. Study of nearby karst features and of the mines' potential to disrupt and contaminate groundwater systems.
7. Study of the potential impairment of trout streams.
8. Study of water quality impacts of the removal of filtering sand.
9. Disclosure of all chemicals to be used and study of their potential to contaminate groundwater, as well as their potential health impacts.
10. Disclosure of the amount and source of water to be used and study of the potential to draw down aquifers.
11. Study of the impacts on nearby private and public wells.
12. Study of the impacts of failure to contain wastewater and stormwater runoff, including effects of heavy rain and flood events.
13. Study of the aesthetic impacts of destruction of the beauty of the landscape.
14. Study of the impacts on biodiversity, including rare animal and plant species.

15. Disclosure of all truck routes, processing destinations, numbers of truck trips proposed, and hours of hauling proposed.
16. Disclosure and study of any other sand transportation methods proposed.
17. Study of the impacts of trucking on public safety.
18. Study of the damage to infrastructure from trucking, including assessment of costs.
19. Study of the impacts on the existing agricultural economy.
20. Study of the impacts on the existing tourism economy.
21. Comprehensive study of employment impacts, including jobs lost, with detailed assessment of the quality of any jobs potentially generated.
22. Study of the impacts on property values.
23. Study of quality of life impacts on immediate neighbors, including blasting, noise and light impacts, as well as psychological impacts.
24. Study of quality of life and social impacts on whole communities.
25. Disclosure of Minnesota Sands' owners, investors and financiers, as well as their political ties.
26. Proof that Minnesota Sands has experience in the operation and reclamation of frac sand mines.

It is extremely important to the people of southeast Minnesota that all of the above-listed impacts be studied both individually at each proposed mine site and cumulatively across the entire project. Any additional mines proposed by Minnesota Sands but not currently included among the original 11 must also be included in the EIS, along with any processing facilities currently proposed by the company. The cumulative impacts of other proposed or existing frac sand activity in the area must also be studied.

Local citizens require all the above-mentioned studies to be carried out by independent experts with no ties to Minnesota Sands specifically or to the frac sand industry in general.

The Land Stewardship Project is a private, nonprofit organization. The mission of the Land Stewardship Project is to foster an ethic of stewardship for farmland, to promote sustainable agriculture and to develop sustainable communities.

The Land Stewardship Project has offices in the Minnesota communities of:

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