

Meeting Date: 12/15/2009
Agenda Item: 8. f) 1)

City Council Agenda Report

City of Scandia

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Action Requested: None—receive an update from staff on the status of the Zavoral Mining and Reclamation Project EIS.

Deadline/ Timeline: N/A

Background:

- The City Council approved a Final Scoping Decision Document for the Environmental Impact Statement (EIS) for the Zavoral Mining and Reclamation project in April, 2009. In August, 2009 the City hired AECOM as the consultant to complete the EIS, and AECOM completed a work plan for the EIS based on the Scoping Decision Document. The City published a Notice of Intent to Prepare the Environmental Impact Statement in the EQB Monitor on September 7, 2009.
- The Scoping Decision Document identified and described the project alternatives that will be analyzed in the EIS, the issues that will be analyzed, and the proposed schedule for the EIS.
- On December 1, Tiller Corporation sent a letter to the City indicating that they are proposing changes to the Zavoral Mine project as described in the Scoping Decision Document. The changes include the following:
 - Tiller is proposing to eliminate the processing activities that were originally proposed as part of the project at the Zavoral site.
 - The aggregate material mined at the site will be transported to the Scandia Mine site, located on Manning Avenue near 225th Street. This site is also operated by Tiller Corporation. The material would be processed at that site. Tiller indicates in its letter that the material that will be transported to the Scandia Mine site will replace aggregate material that is currently transported to the site from deposits in Chisago County, Minnesota and Polk County, Wisconsin.
- The revision would change the EIS alternatives and analysis, and will require changes in the Scoping Decision Document and the work plan for the EIS.

- According to the Rules for the Environmental Review Program the procedure for amending the Scoping Decision is for the RGU (the City Council to approve a revised Scoping Decision Document and publish a revised Notice of Intent to Prepare the Environmental Impact Statement that includes the revised Scoping Document in the EQB Monitor (Minnesota Rules 4410.2100, subparts 8 and 9). The process to revise the scope does not include a requirement for a public hearing.
- The elimination of processing activities at the Zavoral site and transfer of the proposed processing to the Scandia Mine site will affect several elements of the EIS:
 - *The changes will require revision of the alternatives to be examined in the EIS from four to three. Alternative #3— Impacts of Washing and Alternative #4- Impacts of Seasonal Scheduling of Processing Activities would be eliminated. Tiller is proposing a new alternative that would examine the potential impacts of compressing the length of time that the Zavoral Mine would be operated to up to five years, rather than up to 10 years as proposed in the Preferred Alternative. The proposed alternatives to be examined in the EIS would be amended in the new scope to include the following:*
 - Alternative #1 – Applicant’s Preferred Alternative
 - Alternative #2 – No Build Alternative
 - Alternative #3 – Revised Schedule
 - *The scope of the EIS analysis and consultant work plan would be revised in several areas. Staff and consultants are currently working with the proposer to revise the scope. The revised scoping document is expected to be available for the City Council’s review at the January 5, 2010 meeting.*
- One of the issues for the revised scope is how the EIS would include analysis of the potential impacts on the Scandia Mine site from transferring material to the Scandia Mine site and processing it there, instead of at the Zavoral Site. Some guidance has been received from the EQB staff that the city should include the analysis of all potential impacts at both sites in the EIS. Exactly how that should be done is still the subject of discussions between the proposer and the city staff and consultants.
- The first meeting of the Project Advisory Committee (PAC) was held on December 8, 2009. The handouts for the PowerPoint presentations made at that meeting are attached and have been posted on the city website. The PAC will meet three more times. The dates for the next two meetings were set (Wednesday, February 3, 2010 and Tuesday, April 27, 2010 from 4:00 p.m. to 6:00 p.m.) The third meeting will be schedule for when the draft

EIS is available for review.

- Meeting notes from the PAC meeting are being compiled by the consultant team, and will be provided to the Council and posted on the website as soon as they are available.
- One of the issues raised at the PAC meeting was whether the city's review of the mining project Conditional Use Permit (CUP) application (which has been suspended during the environmental review) was properly based on the former city Comprehensive Plan. The CUP application was made in 2008, before the adoption of the current plan in March, 2009. The city has been advised to review the application under the plan that was in affect when the application was submitted, which allows mining as a conditional use in agricultural areas. Members of the PAC questioned whether a written legal opinion regarding this matter was available, and whether Tiller's recent modification of the project would affect that opinion. The City Council may wish to discuss this.

Recommendation: No action is requested. Staff will be available to answer questions about the progress of the EIS, and will also provide any additional information that might be known following a meeting with the proposer scheduled for Tuesday, December 15.

**Attachments/
Materials provided:**

- December 1, 2009 letter from Tiller Corporation
- PowerPoint Handouts, December 8, 2009 PAC Meeting

Contact(s):
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(Zavoral EIS Update)