



Corporate Office:
P.O. Box 1480
7200 Hemlock Lane, Suite 200
Maple Grove, Minnesota 55311-6840

Tiller Corporation
and its affiliated companies

Barton Sand & Gravel Co.
Commercial Asphalt Co.
Barton Enterprises, Inc.
Barton Industrial Sands, LLC

General: (763) 425-4191
Facsimile: (763) 425-7153
Web: www.tillercorp.com

July 14, 2014

Kristina Handt
City of Scandia
14727 209th St. N
Scandia MN, 55073

Re: Second Quarter Reclamation Report, Zavoral Mining and Reclamation Project

Dear Kristina,

The purpose of this letter is to provide the City of Scandia with an update on the status of reclamation activities for the Zavoral Mining and Reclamation Project. The Project consists of the mining and reclamation of a 64-acre site (Zavoral Site or Site).

Status of Reclamation: Second Quarter

For the second quarter of 2014, efforts continued to focus on reclamation planning. The project team anticipates reclamation activities will continue in the Phase 1 Reclamation Area and will be initiated in the Phase 2 Reclamation Area. Construction will continue on the main access road during 2014.

Status of Transition Area Establishment

On Monday, May 19, 2014 a site visit was conducted with the National Park Service, the City and the Washington Conservation District to review the existing site conditions and determine how to proceed with the establishment of the transition area between the reclaimed prairie and existing woodland.

As a result of the site visit, we are in the process of developing a plan based on the comments received during the site visit and anticipate having the plan ready for the City's review in August. Once approved, Tiller and its consultants will begin the implementation of the transition zone establishment and management plan.

Year One Maintenance of Phase 1 Reclamation (2014): Tiller has contracted with Minnesota Native Landscapes (MNL) to provide maintenance services for Phase 1 Reclamation following installation. Site vegetation management within Phase 1 Reclamation during 2014 will follow the approved reclamation plan and will include mowing and spot herbicide treatments of weed species that may establish. Critical Connections Ecological Services (CCES) will be working closely with



MNL to oversee reclamation implementation and monitor the seeded reclamation area(s) during the 2014 season in order to determine optimum timing and extent of both mowing and spot spraying treatments.

As a result of the cool and wet conditions that have been characteristic of the second quarter, the vegetation in Phase 1 Reclamation has not reached the optimum growth maturity desired prior to mowing or spot spraying treatment. CCES continues to monitor the reclamation area to determine optimum timing and extent of both mowing and spot spraying treatments, and these prescribed management treatments will be implemented in the third quarter as soon as appropriate site conditions are met.

Monitoring in 2014: CCES will continue to monitor the progress of the native prairie seeding installed within Phase 1 Reclamation as well as the success of the trees transplanted along the north perimeter of the Site. Reclamation activity progress reports will continue to be submitted to the City of Scandia on a quarterly basis during the 2014 growing season and will document progress on reclamation implementation activity, planning, monitoring, and corrective actions, if any, that need to be taken in 2014 for the newly planted native prairie or for the transition area.

If you have any questions please do not hesitate to call. I may be reached at (763) 425-4191.

Sincerely,

Tiller Corporation

A handwritten signature in black ink, appearing to read 'Christina Morrison'.

Christina Morrison
Land Use and Permitting Coordinator