

Frac Sand Sentinel

...keeping watch on the industry

Issue #27

DATE October 16, 2013

Here are several important pieces of information:

- 1. DNR Listening Sessions: everyone attend. These sessions are vitally important for you and the DNR!**
- 2. Morality and Frac Sand Miningin MN**
- 3. Bad River Film: members speak out against metallic mining in their homeland**
- 4. Life in Montana as mining progresses (Sound familiar here?)**
- 5. "School Tax Implications of Potential Property Valuation Increases" Whitehall, WI**
- 6. Chippewa County Draft Ordinance--Oct. 23, 2013 (see attached) **ALL CHIPPEWA COUNTY RESIDENTS ARE INVITED TO STUDY THE ATTACHED!****
- 7. Frac Sand Mining in Wisconsin: How Healthy? How Safe? How Many Jobs? Madison, WI**
- 8. Doug LaFollette Environmental Speaker's Program: Madison**
- 9. An article from Grist on sand in WI**

1. Plan to attend at least one of these DNR sessions; raise questions! Learn more about public participation in air quality permitting!

Listening Sessions on Air Permit Process Improvements

The Air Management Program (Wisconsin Department of Natural Resources) invites you to attend one of four listening sessions on air permit process improvements scheduled for later this month. The Program is seeking public input and ideas on how the application, review and issuance process can be improved for air pollution operation and construction permits.

The meetings will be held as open houses where individuals can attend anytime during the two-hour session to make suggestions, ask questions and have informal conversations with staff. During the early part of the open house, staff will make a presentation on the air permit application process and discuss improvement ideas that the Program is already considering.

A meeting notice with more details including the dates, times and locations of these sessions is here:

DNR Public Meeting Notice:

Listening Sessions on Air Permit Process Improvements

What is the topic of the meeting?

The Department of Natural Resources (DNR) Air Management Program is seeking public input and ideas on how the application, review and issuance process can be improved for air pollution operation and construction permits. The Air Management Program is seeking the broadest range of input so that all permit program customers can have their input received and considered by the department.

Meeting times and locations

Monday, October 21, 2013 – Eau Claire

2:00-4:00 PM, Rooms 158 & 185, DNR Eau Claire Service Center, 1300 W. Clairemont Avenue, Eau Claire, WI 54701

Tuesday, October 22, 2013 – Mosinee

1:30-3:30 PM, Mosinee Room, Mosinee Branch Library*, 123 Main Street, Mosinee, WI 54455

***This meeting is not sponsored by the Marathon County Public Library**

Wednesday, October 23, 2013 – Milwaukee

1:00-3:00 PM, Rooms 140 & 141, DNR Southeast Region Headquarters, 2300 N. Dr. Martin Luther King Jr. Drive, Milwaukee, WI 53212

Thursday, October 24, 2013 – Green Bay

1:30-3:30 PM, Lake Michigan Room, DNR Green Bay Service Center, 2984 Shawano Avenue, Green Bay, WI 54313

Format of meeting

The meeting will be held as an open house, including an open discussion with Air Program staff. Informal conversations and questions with staff and time for providing public input and comments will be the primary focus of the meeting. However, approximately 30 minutes after the start of the open house, Air Program staff will make a presentation on the air permit application process and discuss some process improvement ideas that the department is already considering

Other methods of providing input

If you are unable to make the meeting, you may also provide your input by sending your ideas to:

Wisconsin Department of Natural Resources, Bureau of Air Management, PO Box 7921, Madison, WI 53707, Attn: Steve Dunn or by email to Steven.Dunn@wisconsin.gov

Reasonable accommodation, including the provision of informational material

AMSG Meeting Materials Posted

The summary of the August 22 meeting has been posted on the AMMSG webpage at <http://dnr.wi.gov/topic/airquality/amstudygroup.html> (refer to the "Past meetings" tab). The study group's charter was finalized at this meeting and has also been posted.

Air Management Study Group

The Air Management Study Group is a stakeholder working group formed in 2013 by the DNR Bureau of Air Management. The group serves as a forum for the bureau to receive input from and provide information to stakeholder organizations. The goal of the study group is to provide the bureau with constructive feedback on policy and technical issues and to work collaboratively with DNR staff to find workable solutions.

The study group identifies issues and topics of interest that can be addressed by ad hoc subgroups. Subgroup members are expected to research and develop recommendations on the selected topics for presentation to the full group.

The study group meets quarterly or semi-annually, with additional subgroup meetings scheduled as needed. Meetings are open to the public.

- [Air Management Study Group Charter \[PDF\]](#)
- [Members](#)
- [Upcoming meetings](#)
- [Past meetings](#)

Members

Members

Air Management Study Group members are appointed by the DNR Secretary. Members represent a range of stakeholder organizations including local government units, industry and environmental organizations, law firms and universities.

- Dave Bender, Sierra Club
- Tim Clay, Cooperative Network
- Tyson Cook, Clean Wisconsin
- Arthur Harrington, Godfrey & Kahn S.C.
- Tracey Holloway, University of Wisconsin-Madison
- Jeff Jaeckels, Wisconsin Utilities Association
- Jeff Landin, Wisconsin Paper Council
- Scott Manley, Wisconsin Manufacturers & Commerce (alternate: Eric Bott)
- Todd Palmer, Michael Best & Friedrich LLP
- Tara Wetzel, Wisconsin Transportation Builders Association
- Ken Yunker, Southeastern Wisconsin Regional Planning Commission (alternate: Christopher Hiebert)

2. Donna Buckbee of the Houston County Protectors sends the note below (with the attached poster), for what sounds like an intriguing event: "Our Moralities and Frac Sand Mining: What is the Right Thing to Do?" Come to this event! Feel free to pass this on. I think it would be of great interest!

<http://www.sandpointtimes.com/pdf/Event-Poster-Oct22.pdf>

3. Film featuring Bad River members speaking out against metallic mining

Here is a short video of Bad River Tribal members in their own words on how they feel about the proposed iron mine in the Penokee Hills at the headwaters of their Nation's water rich homeland.

How you can share it:

YouTube: <http://www.youtube.com/watch?v=wkQKVjEk90Q>

Facebook: MEA page or <https://www.facebook.com/photo.php?v=10151623722355703&l=8880043807820397428>

Twitter: #CitizenVoicesMatter youtu.be/wkQKVjEk90Q<<http://t.co/G8wJ8lfVY1>>

MEA website: <http://midwestadvocates.org/citizen-voices-matter/overview/bad-river-tribe/in/open-pit-iron-mining>

4. Montana Towns Struggle With Oil Boom Cost as Dollars Flee

Jennifer Oldham

Oct 10, 2013

Tractor-trailer trucks carrying oil, water and sand to drilling sites are lined up at one of two stoplights in Fairview

<http://www.midrivers.com/%7Efairview/> , Montana, as the mayor tries to figure out how to squeeze more people into his town.

The prairie community straddles the state line with North Dakota and needs

a new water tank, improvements to its sewage treatment plant and curbs and

gutters. The price tag: \$14.4 million -- five times the city's \$2.7 million budget. "A town of 1,100 people just doesn't run down to the bank and write a

check for that kind of money," said Mayor Bryan Cummins. "Our town has eight

times the traffic traveling through it as it did five years ago."

Fairview is one of a half-dozen bucolic farming towns in eastern Montana <http://topics.bloomberg.com/montana/> transformed over the past 18 months

into bedroom communities for workers toiling in the Bakken

<http://www.doi.gov/news/pressreleases/usgs-releases-new-oil-and-gas-assessm>

[ent-for-bakken-and-three-forks-formations.cfm](#) oil patch. Unlike North Dakota cities that reap tax money from oil production to help keep pace with double-digit growth, Montana municipalities get next to nothing. The towns' new reality illustrates the tradeoffs that come with the energy boom and how the drilling that showered riches on its neighbor poses challenges in Montana.

Jails are filled to capacity, prompting officials to consider freeing less-violent offenders. Planners worry overflowing sewers will force them to ration building permits. School administrators say they may need to turn gymnasiums and hallways into classrooms to serve an expanding student body.

Doubled Enrollment

"We're looking at 32 possible developments with up to 1,700 students," Sidney Public Schools Superintendent Daniel Farr <http://www.sidney.k12.mt.us/Page/201> . "That would double my current student enrollment, resulting in the need to build a new school system at a range of \$24 to \$35 million."

A fraction of the drilling in the Bakken is taking place in Montana, which saw its last oil boom lose steam in 2006. Production on wells in Montana isn't fully taxed for 18 months, leaving towns to wait two years for money to upgrade infrastructure. When taxes do kick in, the state receives 52 percent, with about 47 percent divided between counties and school districts. Cities get one-tenth of 1 percent.

Montana will collect \$800,000 less from each new well compared to North Dakota <http://topics.bloomberg.com/north-dakota/> , even as continuous drilling to increase productivity deepens the impact on cities and extends it over long periods, said Mark Haggerty, an economist with Bozeman, Montana-based Headwaters Economics <http://headwaterseconomics.org/> .

Bill Vetoed

Governor Steve Bullock vetoed a bill in May that would have provided \$35 million <http://leg.mt.gov/bills/2013/billpdf/HB0218.pdf> for eastern Montana communities to build new facilities. Lawmakers say waiting until the next legislative session in 2015 to address growth will force additional costs onto existing residents, many of whom live on fixed incomes. A spokesman for the governor couldn't be reached yesterday.

"I'm very concerned that waiting another year and a half is going to put these communities in a tougher spot," said state Representative Austin

Knudsen, a Republican from Culbertson. "You really have no choice but to go to your ratepayers and ask them to pay more. That's the situation we're in and I'm afraid it's going to get worse."

Eighteen-wheelers raise clouds of dust on Bainville's dirt roads as they pass its school and a white-steepled church on the hill. The town, just a half hour's drive from the epicenter of the Bakken boom in Williston, North

Dakota, raised residential sewer rates to help expand its system. The new lagoon was full the day it opened. Now there's a waiting list for a second

\$1.5 million expansion being funded by Procore Group Inc.

<http://www.procoregroup.com/about/overview-about.cfm> of Calgary, a company building a camp to house workers nearby.

'Very Fast'

"When this boom hit, our town of 150 people went to 450 people in a very short time," said Bainville Mayor Dennis Portra. "Our school population was only 76 kids and now it's in the 165 range. Everything is going very fast."

The town with a two-pump gas station, two bars and an annual budget of \$250,000, is likely to triple in size again in the next few years as developers finish plans for two hotels, retail shops, offices and condos and several subdivisions.

About 15 miles west of Bainville, in Culbertson, waitresses at the Wild West Diner <https://www.facebook.com/pages/Wild-West-Diner/323602796729> serve hamburgers with sides of mashed potatoes and gravy as city officials

recount how the town raised its residential sewage rates from \$5 a month to \$60 to help fund a \$6 million sewer upgrade.

"Last quarter we got \$6,000 back from oil revenue," said Mayor Gordon Oelkers, who owns a service station in town. "That has to change. This is where the impact is and this is where the funding should be."

Town's Growth

The town grew from 700 to 1,000 in the last two years and is expecting a 140-unit subdivision currently under construction, a 250-unit hotel and a nearby man camp to increase its population by 30 percent.

Oil helped rejuvenate the local economy, Oelkers said, adding that some farmers used proceeds from the sales of their mineral rights to buy state-of-the-art irrigation systems.

Like many eastern Montana towns before drilling began in the Bakken in the late 2000s, Culbertson <http://www.culbertsonmt.com/> watched new homes

lose value the minute they hit the market, kids move away for college and never return, and schools close for lack of pupils. Today, all three of Bainville Mayor Portra's grown children live in their hometown and work in the oil patch.

Yet inflated prices for gasoline, groceries and housing because of the Bakken boom are taxing residents on fixed incomes.

High Prices

"I have a big house and the prices people are getting for homes are high, so it's a good time to sell," said Evelyn Casterline, 80, a retired high school home economics teacher who's lived in Culbertson since 1961. "But there's no place to go to get homes that are smaller."

The need for housing is acute in eastern Montana. School districts, businesses and restaurants are unable to hire workers because there's no place for them to live. Home prices <http://topics.bloomberg.com/home-prices/> went from \$60,000 to \$300,000, driven up by demand from oil workers.

Hundreds of families are on a year-long waiting list for federal Section 8 housing assistance vouchers, said Brian Steffen, chief executive of Action for Eastern Montana <http://www.aemt.org/>, a community organization based in Glendive.

Once someone has a voucher he or she must find an apartment for no more than \$505 per month, a near impossibility in a region where rents quintupled since 2008, he said.

"We're starting to see an exodus of the fixed-income elderly," said Steffen. "Either they're leaving the area or moving into care facilities, which is a huge hit to Medicare."

Few Workers

Local businesses are unable to find workers. Even after an expensive advertising program to fill out his seasonal workforce, Sidney Sugars Inc.

<http://www.sidneysugars.com/>'s general manager, David Garland, has fewer employees than he needs to process sugar beets from October through February. During these five months, 300 people work at the factory.

"We're finding it harder and harder to fill those positions," which used

to be taken by locals, he said. "We can't compete with oil wages and there's no housing."

The company built a 50-site RV park on its property last year and plans to build a 42-person dormitory. That facility will need to rely on water and sewer hookups to the city of Sidney, which is struggling to figure out how to pay for improvements to those systems.

Running low on caffeine on a recent overcast afternoon -- both the town's coffee cart and the local McDonald's were closed for lack of workers -- Sidney's Director of Public Works, Jeffrey J. Hintz, lifted his ball cap and scratched his head as he considered his meager funding options.

Growing Costs

"We've got a \$15 million cloud hanging over our head and \$800,000 in a fund to pay for it," said Hintz, referring to wastewater facility upgrades. "We promised to have the first phase done at the end of the 2014 fiscal year."

The town must also upgrade its water treatment facilities to serve an expected 1,100 new multi-family units and 386 new residential lots and make other infrastructure improvements.

"We've identified \$55 to \$60 million in real needs with a \$13 million budget and no oil or gas revenue stream," said Sidney Mayor Bret Smelser.

Located about 45 miles from Williston, Sidney <http://cityofsidneymt.com/> is the largest town in eastern Montana directly affected by the Bakken oil boom. In the city's center, the 86-year-old court house is undergoing a two-year renovation with new sidewalks, landscaping and electrical and plumbing systems. The improvements to the building, which houses the Richland County Commissioners, were funded with oil and gas revenue.

City officials in Sidney say Richland County <http://richland.org/> should share some of the millions it collects in oil and gas taxes annually with the town.

Going Begging

"Of the \$220 million the state collected last year in oil and gas revenue, 50 percent came from Richland County," Smelser said. "The county gets 25 percent and the schools get 20 percent. We've been begging them to help us."

The county helped the city purchase a new police car, funded two officers and paid \$1.6 million for sewer maintenance, said Richland County

Commissioner Shane Gorder. The county, one of the fastest growing in the nation by percentage of population, doesn't have money to spare as it struggles to maintain 1,200 miles of roads battered by unrelenting truck traffic, he added.

"We can't keep up with maintaining our roads, they just fall apart," Gorder said. "We've spent \$30 million in the last five years on road projects. It seems like we're always behind."

To contact the reporter on this story: Jennifer Oldham in Denver at joldham1@bloomberg.net

To contact the editor responsible for this story: Stephen Merelman at smernelman@bloomberg.net

Chris Mehl

Headwaters Economics 406-570-8937

chris@headwaterseconomics.org

<http://headwaterseconomics.org>

<https://twitter.com/headecon>

Information New Mexico Coalition for Community Rights, NMCCR

info@nmccr.org

5. It may not be in your backyard, yet how will it impact our school district?

Monday, October 21, at 6:00 p.m. · 19121 Hobson St., Whitehall

Mike Beighley, Superintendent · Annual Address Will Include:

"School Tax Implications of Potential Property Valuation Increases"

As there will be limited time for questions & answers, please email your questions in advance to: saveourtownwhitehall@gmail.com by Friday, Oct. 18. Mr. Beighley will attempt to address them in his presentation.

If you are unable to attend, you may watch the meeting live from your computer at: whitehallsd.k12.wi.us.

Upcoming City of Whitehall meetings regarding annexation of Hi-Crush:

Committee of the Whole · Monday, Oct. 28, at 6:00 p.m.*

Possible Action: Making a recommendation to City Council on annexation

Special Meeting of Whitehall City Council

Monday, Nov. 4, at 6:30 p.m.*

Possible Action: Annexation of Hi-Crush

*Tentative dates. Watch next week's paper for more information.

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6. **The Zoning and Planning Committee and the Zoning and Planning Administrator** have been working on a draft ordinance for the zoned towns in **Chippewa County, WI.** It is attached. Does it meet your expectations? Would you like it to be enacted in your town or county? **Take a look at the attachment.** It will be presented for approval to the Zoning and Planning Committee on Oct. 23 and then be moved on for County Board approval in November. Chippewa County has not separated out sand and gravel operations from frac sand mining for regulation. What about the recommended set backs? **Make a comment or more than one!**

7. Join the **Sierra Club** and **The Center for Investigative Journalism** on **October 29** for a presentation:

Frac Sand Mining in Wisconsin: How Healthy? How Safe? How Many Jobs?

Join

WCIJ reporters Kate Golden, Ron Seeley and Alison Dirr, and Dave Blouin,

Mining Committee chair for the John Muir Chapter of the Sierra Club, as they discuss and take audience questions about frac sand mining. We will also get an update on the proposed Gogebic Taconite mine in the Penoque Hills in Northern Wisconsin. Refreshments provided.

When: Tuesday, October 29 - 7 p.m.

Where: The newly renovated Madison Public Library, 201 W. Mifflin Street. 3rd floor.

More Details: www.4lakes.org or [608-274-7870](tel:608-274-7870)

FYI, a Madison event a week from today, organized by Clean Wisconsin: <http://www.cleanwisconsin.org/speakers>

8. Doug La Follette Environmental Speakers Program Boom & Bust: Exploring the health and environmental effects of frac sand

with Dr. Henry Anderson, Chief Medical Officer, State of Wisconsin

Wednesday, Oct. 23, 5-7 p.m.

Coffee & appetizers starting at 5 p.m.; program to follow at 5:30 p.m.

Fluno Center, Skyview Room, 8th Floor

601 University Ave., Madison

It's been called the next "Gold Rush"

Frac sand mining is a hot topic in Wisconsin; in the last year, the number of frac sand operations in the state has more than doubled, with more on the way. Join Dr. Henry Anderson, the state's chief medical officer, who will discuss the health impacts of frac sand mining and how it affects Wisconsin's environment, particularly our water.

This event is free and open to the public. Ramp parking available at and near the Fluno Center.

RSVPs appreciated! Contact [Jake](#) or call 608-251-7020 x23

Afterward, join us at Marquee Theater at Union South for a screening of Gasland 2, a new film that examines hydraulic fracking. [Find details here.](#)

9. Wisconsin's sand-mining boom could fuel fracking abroad | Grist

<http://grist.org/news/wisconsins-sand-mining-boom-could-fuel-fracking-abroad/>

Welcome to the Frac Sand Sentinel, a newsletter highlighting resource links, news media accounts, blog posts, correspondence, observations and opinions gathered regarding local actions on, and impacts of, the developing frac sand mining and processing industries.

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715-723-6398

STATEMENT OF EXPLANATION

ORDINANCE TO AMEND THE CHIPPEWA COUNTY ZONING ORDINANCE FOR NON-METALLIC MINING

The Chippewa County Zoning Ordinance allows non-metallic mining in the Agricultural District, but only after the approval by the Planning & Zoning Committee as a Conditional Use. The ordinance does require the submittal of documentation surrounding the description of the operation, the reclamation of the site, the expiration and renewal of the conditional use permit and any other considerations.

In order to properly evaluate a proposed non-metallic mining operation, the Planning & Zoning Committee relies on policy and procedure documents that have been adopted by the Land Conservation and Forest Management Committee. These documents have been referenced within the zoning ordinance, but never codified. The codifying of these provisions is important to the overall administration and enforcement of non-metallic mining under the county's zoning ordinance.

The proposed amendments codify existing policies and procedures that are utilized for the siting and approval of non-metallic mines within the zoned towns. The amendments will create a new division within the zoning ordinance where the non-metallic mining regulations would be inserted. Non-metallic mining would still be allowed within the Agricultural District as a conditional use. In addition, "Industrial Sand Processing Plants and Industrial Sand Transloading Facilities" will be listed as a conditional use permit within the Industrial district.