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RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF NATURAL RESOURCES
LANSING



KEITH CREAUGH
DIRECTOR

February 13, 2015

Ms. Lori Ann Sherman
Natural Resources Director
Keweenaw Bay Indian Community
16429 Beartown Road
Baraga, Michigan 49908

Dear Ms. Sherman:

Thank you for your February 4, 2015, letter on behalf of the Keweenaw Bay Indian Community regarding the proposed Graymont land transaction. This is, indeed, a large and complex proposal.

The lands subject to this proposal were largely acquired by the State through tax-reversion. Proceeds from the sale of tax-reverted property are deposited into a restricted fund that is used to acquire replacement property. Similarly, a portion of the lands in the proposed transaction are to be exchanged for lands of equal or greater value. The maximum impact to Tribal treaty rights is 2681 acres, if no lands in the 1836 Ceded Territory are identified for replacement purchase or exchange. The actual net change would likely be much less.

There are presently no statutory requirements for permits directly related to non-metallic mineral mining or reclamation in Michigan. We do agree that any mining operation should be conducted in such a way as to protect the public's interest. With the lack of statutory guidance, a contractual obligation may be the only tool available to the State to ensure values are addressed. Additionally, we agree that statutory definitions defining "surplus land" could be improved to provide better clarity and guidance. A legitimate question to be addressed is whether public land should ever be designated "surplus" to benefit local economies.

The State recognizes merit in developing limestone mining in the Rexton area based on available minerals for extraction and past history of mining in the area. As the amount of land in public ownership is significant in this area, we understand that public land can be a resource which contributes to the support of local economies. The transaction as proposed would provide continued access to these properties until development and would provide additional hunting, fishing, gathering and recreational opportunities through the acquisition of replacement properties that have high resource and recreation value. If resource extraction is delayed, or staged, the public and the Tribes would enjoy continued use of these areas as well as the new areas acquired through exchange or purchase.

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The proposal submitted to the State by Graymont warrants a thorough and thoughtful review by the State.

We thank the Keweenaw Bay Indian Community for their comments.

Sincerely,

Keith Creagh
Director
517-284-6367

cc: Dr. William E. Moritz, Natural Resources Deputy, DNR
Mr. Dennis Knapp, Chief of Staff and Tribal Coordinator, DNR