

PROPOSED CUP TERMS:

1. Hours of Operation

All work on the section 11 properties will occur only during the following hours:

Crushing Operations:

October 1 – March 31: Monday through Friday only, 7 a.m. to 5 p.m.

April 1–September 30: Monday through Friday only, 6:30 a.m. – 6:30 p.m.

Hauling and Other Operations:

October 1 – March 31: Monday through Friday only, 7 a.m. to 6 p.m.

April 1–September 30: Monday through Saturday only; Monday through Friday, 6:00 a.m. – 8:00 p.m.; Saturday, 7:00 a.m. – 3:00 p.m.

Crushing Operations includes all blasting, excavating, removal of materials, processing of materials, and rock crushing. Blasting hours are also subject to the separate limitations provided below. Hauling and Other Operations includes all loading and hauling operations associated with sales from the property.

Employees and agents may be present on premises outside of operational hours for security and other non-production tasks. There may be emergency exceptions granted based on a joint agreement between Applicant and Cascade Township.

2. Days of Operation

Monday through Friday, and Saturday as shown above. There shall be no operation on legal holidays, including New Years Day, Memorial Day (observed), Independence Day, Labor Day (observed), Thanksgiving Day, and Christmas Day.

3. Noise Limitations and Mitigation Measures

All activities will fully comply with all applicable state and federal regulations related to noise control.

In accordance with the Applicant's attached Noise Mitigation Plan, the operation will comply with MPCA regulations for Noise Pollution Control (Minnesota Rules 7030) and blasting activities will comply with NFPA 495 guidelines, Minnesota Statutes §§ 299F.72 – 299F.831, Minnesota Administrative Rules Ch. 7500 and common industry practices.

Berms will be constructed to minimize the effects of sound on surrounding properties. The location of these berms is shown on the attached Operations Plan. Hauling from the site shall be configured so as to minimize the backing of trucks and the attending noise due to backup alarms.

Loading vehicles and excavating equipment shall be equipped with back up alarms that use alternatives to the traditional high-frequency beeping that is most commonly used as a backup warning.

Equipment and trucks shall refrain from all jake braking.

Trucks and equipment shall have effective mufflers and related technology to lower noise emissions and mitigate noise.

For noise mitigation, the Applicant will build aggregate stockpiles and maintain natural screening to the extent possible through preservation of trees, scrub, other vegetation, and topography.

Applicant has provided the Township with a Noise Mitigation Plan, which contains the noise reduction provisions of this agreement and is designed to minimize noise and impacts on residents. Applicant must comply with the terms of the Noise Mitigation Plan. Applicant agrees to incorporate industry best management practices and incorporate technological improvements in their Noise Mitigation Plan. The Applicant's Noise Mitigation Plan has been reviewed by a qualified engineer agreed to by the parties and the Applicant has implemented and will continue to implement the reasonable recommendations from that engineer. The Township shall pay the cost of the engineer's services.

4. Dust Control

For dust mitigation, the Applicant will introduce wind barriers, such as earth berm(s) or tree line(s). In addition, dust will be suppressed on site using equipment water suppression systems, water trucks, or other appropriate measures.

Dust abatement methods shall be required and enforced when: working and mining within the site, hauling from the site, on the access driveway and hauling material from the extraction site, to the nearest paved road. Mitigating measures, such as vegetated earth mounds, vehicle speed limits, and maintaining roads, windbreaks, dust suppression, and strategic placement of stockpiles, will be used to minimize fugitive dust emissions. Mining operations cannot create any undue smoke or odors. Best management practices for dust control shall be strictly observed.

Applicant has provided the Township with a Fugitive Dust Control Plan to minimize the effects of dust and airborne particulates on surrounding properties. (See attached Fugitive Dust Control Plan.) Applicant must comply with the terms of the Fugitive Dust Control Plan. Applicant agrees to incorporate industry best management practices and incorporate technological improvements in its Fugitive Dust Control Plan. The Applicant's Fugitive Dust Control Plan has been reviewed by a qualified engineer agreed to by the parties and the Applicant has implemented any reasonable recommendations from that engineer. The

Township shall pay the cost of the engineer's services. The Fugitive Dust Control Plan addresses the presence of particulate dust smaller than 10 microns at neighboring property lines.

5. **Berms and Visual Blocking**

The Applicant must preserve the existing perimeter tree canopy (at highest point of elevation) and vegetation must remain to keep the visual appearance, aesthetics, and reduce the amount of dust and noise from leaving the mining area. Additionally, berms will be created and vegetated to assist with this effort. The locations of berms and preserved areas are shown on the Operations Plan.

The operation shall include the construction of berms to block views of the operations from the surrounding properties. The mining and processing facilities should be designed to be as inconspicuous to the immediate public as possible.

6. **Height of Storage Piles**

The top of storage piles shall be no higher than 1,063 feet above sea level.

7. **Light Pollution**

Lighting of the section 11 properties shall be minimized so as to avoid impacts on surrounding properties. Lighting for the operations must be directed away from neighboring properties. Any lighting for the operations used shall be shielded so as to minimize effects on surrounding properties.

8. **Blasting Limitations**

Blasting shall be conducted in accordance with NFPA guidelines, Minnesota Statutes §§299F.72 – 299F.831, Minnesota Administrative Rules Ch. 7500, and industry practices to minimize adverse effects and ensure no damage to neighboring properties.

Blasting shall only occur Monday through Friday.

Any blasting shall take place between the hours of 10 a.m. and 4 p.m., unless a delay occurs due to weather conditions or equipment breakdown. 'Weather conditions' includes only unanticipated conditions that interfere with blasting on any given day, not, for instance, excessive rainfall that delays or interferes with construction projects that rely on the quarry for materials. The Township must be notified if a delay occurs that requires blasting outside of these hours, and the cause of the delay.

The quarry operator shall provide 48 hours advance notice of its intention to conduct blasting by way of a phone call, fax, email notification, or website posting, including the date and approximate hours during which blasting will

take place, to individuals residing within 1/2 mile of the Section 11 property that have requested that they be so notified.

9. Groundwater Levels

All water use at the site will be managed in accordance with the requirements of the Water Appropriation Permit to be issued by the Minnesota Department of Natural Resources (MNDNR). Conditions of this permit will be solely governed and determined by the MNDNR and shall address (see attached Groundwater Monitoring Plan):

- Installation of monitoring wells
- Automated monitoring of water levels
- Reporting of the results of water levels monitoring to the MNDNR
- Reporting of water appropriation volumes to MNDNR
- Adherence to Water Use Conflict and Well Interference resolution processes

If the holder of the Water Appropriation Permit (the Applicant) is notified by the MNDNR that a water use conflict is suspected and probably due to the Applicant's water appropriation, based on confirmation of a formal well interference complaint or a preliminary hydrologic assessment, all appropriation authorized by the MNDNR permit must cease immediately until the interference is resolved. The Applicant may be required to obtain additional data to support the technical analysis, such as domestic well information within a radius of one and one-half miles of the production well. The Applicant and the impacted party may engage in a negotiated settlement process and there may be modifications made to the MNDNR permit in support of conflict resolution.

Without regard to whether a complainant makes a formal complaint through the MNDNR well complaint process or not, should the availability of water to existing domestic water well be interrupted or cease and it is believed to be a result of the Applicant's dewatering activities, the well owner may submit details of the problems to the Applicant. Within 12 hours of the receipt of the complaint, the Applicant must contact a licensed well contractor who has sufficient credentials (e.g. is familiar with local geology, local wells, well drilling, well repair, and located in the local proximity) to investigate the complaint. The well contractor shall advise the Applicant and the complainant of the timetable for the initial investigative visit. The initial investigative visit by the well contractor must be paid for by the Applicant. Should the initial investigative visit determine that the Applicant's dewatering activities have caused an interruption to the availability of water to the well, the Applicant shall incur the expenses required to remedy the situation. Costs include, but are not limited to, the well investigation by consultants, well repairs, and well construction. The Applicant shall provide a safe and adequate drinking water supply within 12 hours of notification and until either the water supply has been re-established to the homeowner, or the investigation has determined that the lack of water available to the well is not

associated with the Applicant's dewatering activities. Within 48 hours of receiving a well complaint, the Applicant shall notify the DNR Area Hydrologist that a complaint was received. If the complaint is unresolved, the complainant may choose to submit a formal well interference complaint to the DNR Area Hydrologist. The DNR will then conduct a technical review, determine the probable cause of the problem, and take appropriate action under the Water Appropriations Permit Program.

10. Location of Noisy Equipment (Rock Crushers)

Rock crushing equipment shall be located so as to minimize impacts on surrounding properties.

11. Location of Load Out Operations

Load out operations shall be located so as to minimize impacts on surrounding properties.

12. Traffic Management Plan

The Applicant shall present a traffic management plan that defines routes of traffic coming to, operating on, and departing from the section 11 properties. All operations shall be in accordance with the traffic management plan. (See attached Haul Traffic Route display.)

The Applicant will maintain and repair any damage to Access Road to the east of the property access point to its intersection with East River Road to the Township engineer's reasonable satisfaction as long as the quarry is in operation. Once quarrying has ceased, this maintenance will be the responsibility of Cascade Township.

Any access shall be approved by the appropriate road authority. Ingress and egress points shall be clearly marked and only those signed access points shall be used.

"Trucks Hauling" signs with red flags are to be posted in locations to be determined by an engineer identified by the Township when hauling from the site and to be removed when hauling is not taking place.

13. Limitations on Hauling to the Site from Off-site Locations

The section 11 properties shall not be used as a stockpiling, storage, or processing site for materials that were not excavated from the section 11 properties. No crushing of recycled asphalt or concrete will be allowed on the section 11 properties. No off-site materials will be transported to the section 11 properties for crushing purposes.

14. Use of Non-Standard Backup Alarms on Trucks and Loading Equipment

Loading vehicles and excavating equipment shall be equipped with back up alarms that use alternatives to the traditional high-frequency beeping that is most commonly used as a back up warning.

15. Reclamation and Restoration

Progressive reclamation will occur as extraction of aggregate resources is completed. (See attached Reclamation Plan(s)) Two conceptual Reclamation Plans have been provided. The first plan would create solely a recreational water body with safe slopes created on site. The second plan includes a generalized mixed use development of the property. Both of these plans have been provided due to two factors. First, the unknown community needs for the property many decades into the future. Second, the unknown community needs for aggregate in the future. The marketability of aggregates derived from the proposed quarrying will have a direct effect on the amount of earth material available for completion of reclamation at the site and the final topography of the site. The two plans provided are conceptual and are presented merely for consideration of possible future conditions. Ultimately, the final end use of the property will be determined by Wilmar Investments, LLC.

16. Bond or Security for Reclamation and Restoration

The Applicant shall post a reclamation guarantee for the area of disturbance giving financial assurance to Cascade Township and shall post a bond or security sufficient to assure reclamation and restoration in an amount to be agreed upon by the parties, or if the parties cannot agree, an amount determined by a third party agreed upon by the parties. The bond or security shall be for the purpose of assuring reclamation and restoration.

17. Security of the Site

The site shall be secured with locking gates and fencing along the east property line near the trailer homes. "No Trespassing" signs will be located on the property so as to deter access to the section 11 properties by children or other unauthorized individuals. If fencing is not present along areas that abut public property, Applicant shall post signs warning of hazards to those that might enter the property from public land.

18. Fuel Storage

No fuel shall be permanently stored on the section 11 properties.

19. Wetland Impacts and Stormwater

All aggregate extraction and processing operations shall be conducted in a manner that minimizes impacts to wetlands. All aggregate extraction and processing operations shall be set back at least 200 feet from the north branch of the Zumbro River with the exception of the following:

- Stormwater structures and Best Management Practices
- Existing internal roadway
- Existing berm(s)
- Dewatering structures
- Maintenance activities of the aforementioned items

The Applicant will maintain a Stormwater Management Plan for the operation in order to be compliant with the Nonmetallic Mining Storm Water Permit with the Minnesota Pollution Control Agency. That plan will dictate the stormwater management at the site. (See attached Storm Water Pollution Prevention Plan)

For erosion control, the Applicant will employ the use of silt fencing, erosion control nets or mats, mulching, filter fabric barriers, and/or straw bale barriers where appropriate and as Minnesota Pollution Control Agency permits require.

20. Utility Impacts

All operations shall be conducted in a manner that does not have adverse impacts on utilities, either existing or proposed.

21. Compliance with Laws and Regulations and Representations Made During Environmental Review (Gallons of Water to be Extracted; Material Not Excavated Below 900'; Etc.)

The Applicant shall comply with all rules, regulations, requirements, or standards of the Minnesota Pollution Control Agency, Minnesota Department of Natural Resources, Army Corps of Engineers and other applicable federal, state, or local agencies protecting the public's health, safety, and general welfare. Mining activities must always comply with the most recent Minnesota Department of Natural Resources standards including the Wetlands Conservation Act. These include but are not limited to air emission permitting and storm water permits. All MN DOT permits must be obtained and the Applicant must adhere to all MN DOT regulations.

All facilities and activities shall comply with all applicable land use, health, building, plumbing, mechanical, and electrical codes. All structures erected, built, or installed shall have a building permit. All fuel tanks and flammable materials shall be located above ground, in such locations, with containment, and under

such conditions as to conform to the requirements of the national fire codes (NFPA).

Applicant's operations will be consistent with the conditional use permit.

Unit of government	Type of Application
Minnesota Department of Natural Resources	Water Appropriation Permit
Minnesota Pollution Control Agency	General NPDES Storm Water Permit
Minnesota Pollution Control Agency	Air Emissions Permit
Cascade Township	Rezoning and Conditional Use Approval

22. Odor Control

Odors at the site shall be controlled in a manner that minimizes impacts on adjoining properties.

23. Vibration Control

Operations shall be conducted in such a manner as to minimize impacts on adjacent properties caused by vibration. Blasting vibration shall be allowed up to industry standards and regulations.

24. Excavation Setbacks from Property Lines

Beyond any setbacks required by law, all activities related to the operations, including berms, shall be set back at least 100 feet from the property line.

25. Complaint Process for Complaints Related to Operations

Applicant shall have a written procedure for receiving and responding to community complaints related to its operations. Applicant shall identify a contact person who will receive complaints and shall promptly respond to complaints. Applicant shall promptly supply all complaint information to the Township.

26. Spills on Roadways

Trucks used in hauling materials from the site shall be loaded in a manner to minimize spillage onto public roadways. The clean-up of aggregate as a result of spills or general transportation of aggregate from the Section 11 property to the Section 14 property for further processing, from the property access point on Access Road to the south access point of Rochester Sand & Gravel on East River Road, shall be the responsibility of the mine operator if the truck: (i) is owned and operated by the mine operator or a subsidiary or affiliated company; or (ii)

the mine operator has directly contracted with the truck for the purpose of transporting aggregate from the Section 11 property to the Section 14 property.

27. Critical Habitats and Historical Features

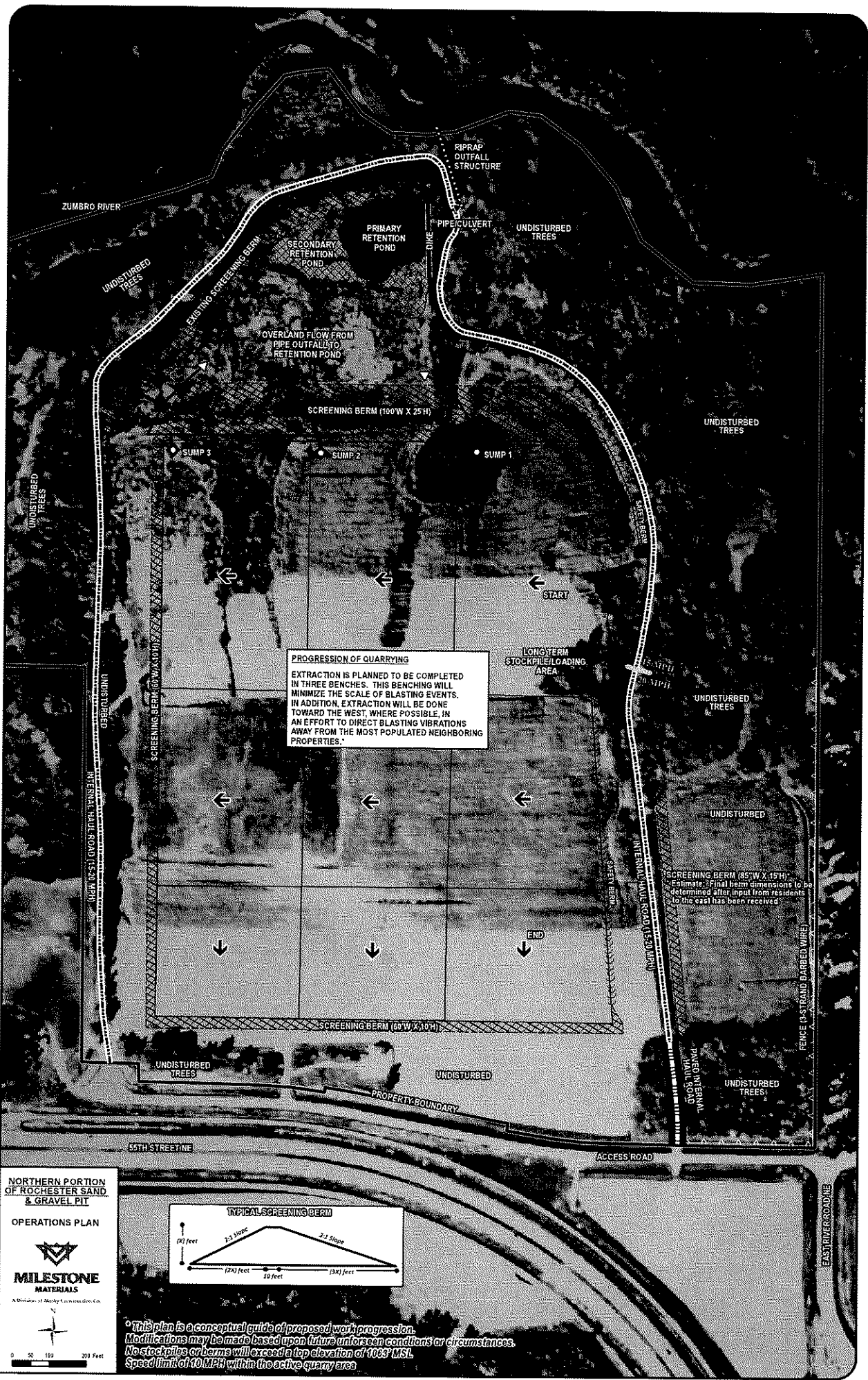
No critical habitats or historical features will be affected by the mining activity on the property.

28. Violations

Violation of the terms of the conditional use permit are subject to the provisions of the CUP and the Township CUP ordinances. Applicant shall have the rights and remedies provided in the CUP. Violations of the CUP may result in revocation of the conditional use permit and the Township shall have all remedies available to it pursuant to its ordinance or otherwise available to it in law or equity. Notwithstanding the foregoing, in the event that Applicant fails to perform any of the terms and conditions of the CUP, the Township shall provide Applicant, in writing, a notice of default and the parties shall hold an initial meeting within ten (10) days following notice of such default for purposes of attempting to resolve the default on an amicable basis unless the Township determines that threats to health, safety or property require a shorter notice period. If the parties cannot resolve the matter, the Township may issue a notice of violation to Applicant setting forth, in detail, the action(s) that must be taken to remedy the alleged default and a reasonable time period for curing the default.

29. Other Conditions

The CUP shall be in the form of the Township's typical CUP and shall include terms as are typically included in the Township's CUPs.

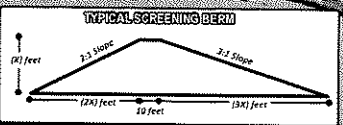


PROGRESSION OF QUARRYING
 EXTRACTION IS PLANNED TO BE COMPLETED IN THREE BENCHES. THIS BENCHING WILL MINIMIZE THE SCALE OF BLASTING EVENTS. IN ADDITION, EXTRACTION WILL BE DONE TOWARD THE WEST, WHERE POSSIBLE, IN AN EFFORT TO DIRECT BLASTING VIBRATIONS AWAY FROM THE MOST POPULATED NEIGHBORING PROPERTIES.*

SCREENING BERM (85' W X 15' H)
 *Estimate. Final berm dimensions to be determined after input from residents to the east has been received.

NORTHERN PORTION OF ROCHESTER SAND & GRAVEL PIT
 OPERATIONS PLAN

MILESTONE MATERIALS
 A Division of Masty Associates Co.



**This plan is a conceptual guide of proposed work progression. Modifications may be made based upon future unforeseen conditions or circumstances. No stockpiles or berms will exceed a top elevation of 1063' MSL. Speed limit of 10 MPH within the active quarry area.*