

# What are construction aggregates?

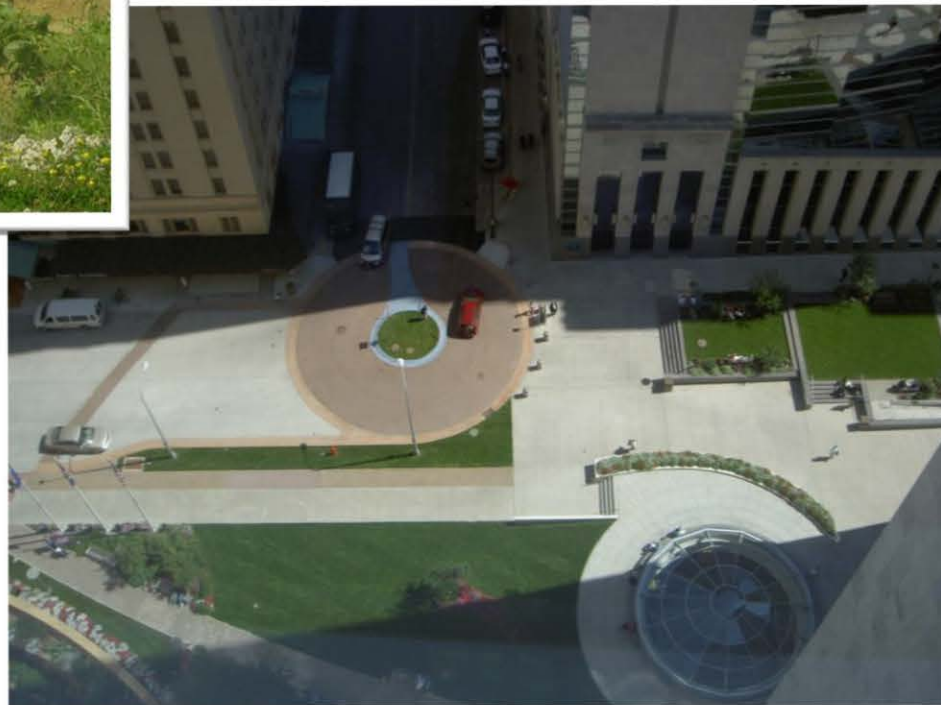


- **Sand and gravel-** Result of transportation and deposition by glaciers or water.



- **Crushed stone-** A product of mechanically breaking down bedrock.

# Our cities are built from construction aggregates





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# Minnesotans rely on sand and gravel

- Each American uses about 10 tons of aggregates every year.
- 50% of all aggregates consumed in MN are on publicly-funded projects.



**The royalty value of sand and gravel resources on School Trust lands is projected to exceed \$1 billion.**

The DNR's Trustee duties are to achieve this School Trust revenue by:

- Identifying sand and gravel resources
- Marketing sites
- Providing technical support to lease administrators



# Duty #1- Identifying Resources

## Sand and gravel inventory project

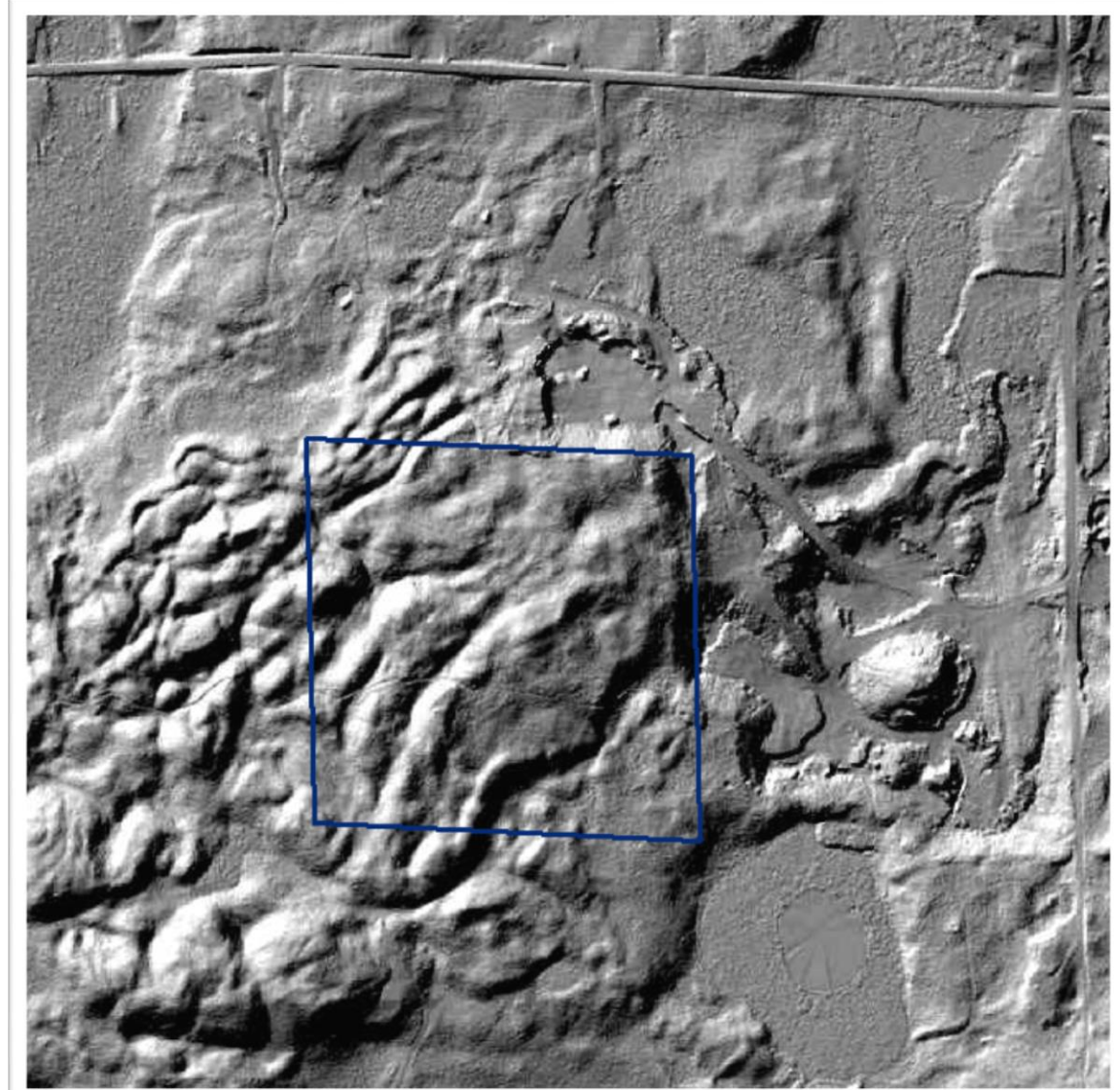
The value of sand and gravel resources must be included in the sale, exchange, and designation of School Trust parcels to achieve this \$1 billion in projected revenue potential.



# Duty #1- Identifying Resources

## Sand and gravel inventory project

- Step #1: Office-based inventory designation
- Step #2: Final valuation (fieldwork required)
- Step #3: Obtain royalty revenues (est. \$1B)

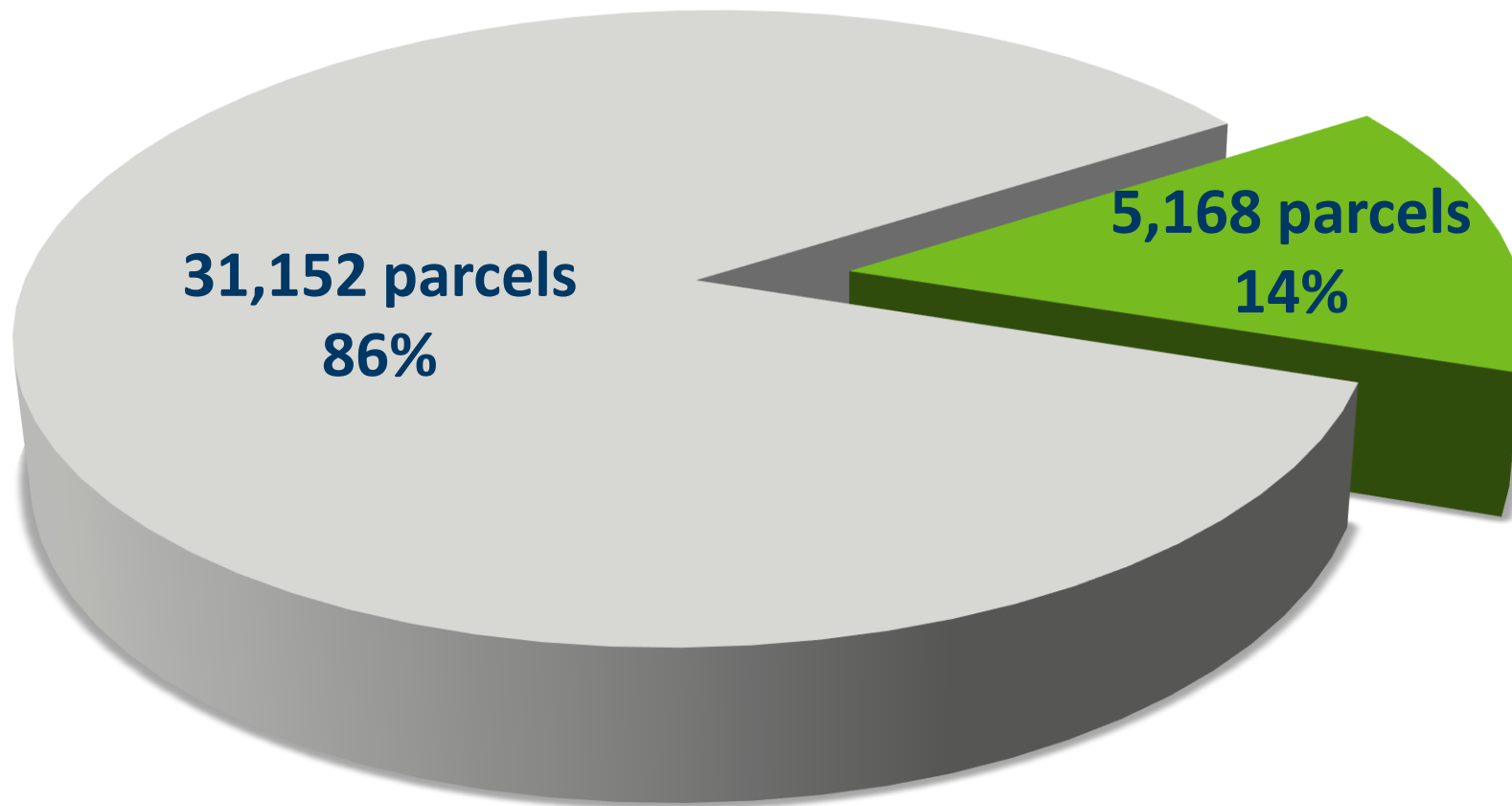




# Duty #1- Identifying Resources

## Step #1: Office-based inventory designations

■ Likely or Possible to contain aggregate    ■ Unlikely to contain aggregate

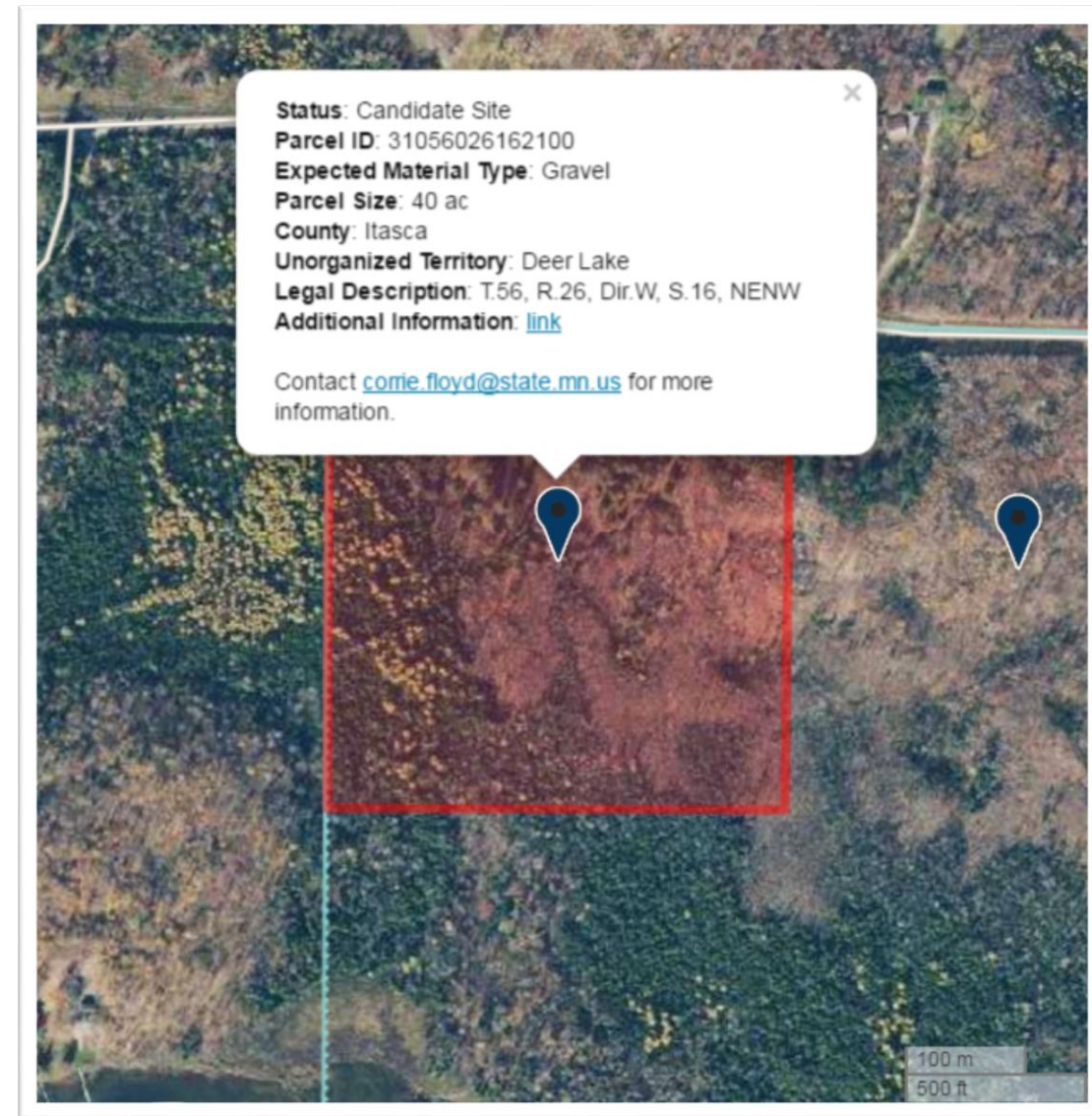


*36,320 out of 64,453 School Trust parcels evaluated*



# Duty #2- Marketing Sites School Trust Aggregate Finder Web Map

- Develop a platform to market candidate aggregate lease sites on School Trust lands.
- Encourage leasing of School Trust aggregate by sharing information in a user friendly format.
- Does not guarantee a lease



## Duty #2- Marketing Sites School Trust Aggregate Finder Web Map

School Trust Aggregate Finder will help explorers locate aggregate sites and improve recognition of School Trust lease opportunities.





# Duty #2- Marketing Sites

## Targeting School Trust parcels near MnDOT Road Projects

- For every 10 to 14 miles of haul distance, the cost of aggregate doubles in price.
- Anticipating demand for construction aggregate near MnDOT road projects.
- Does not guarantee a lease

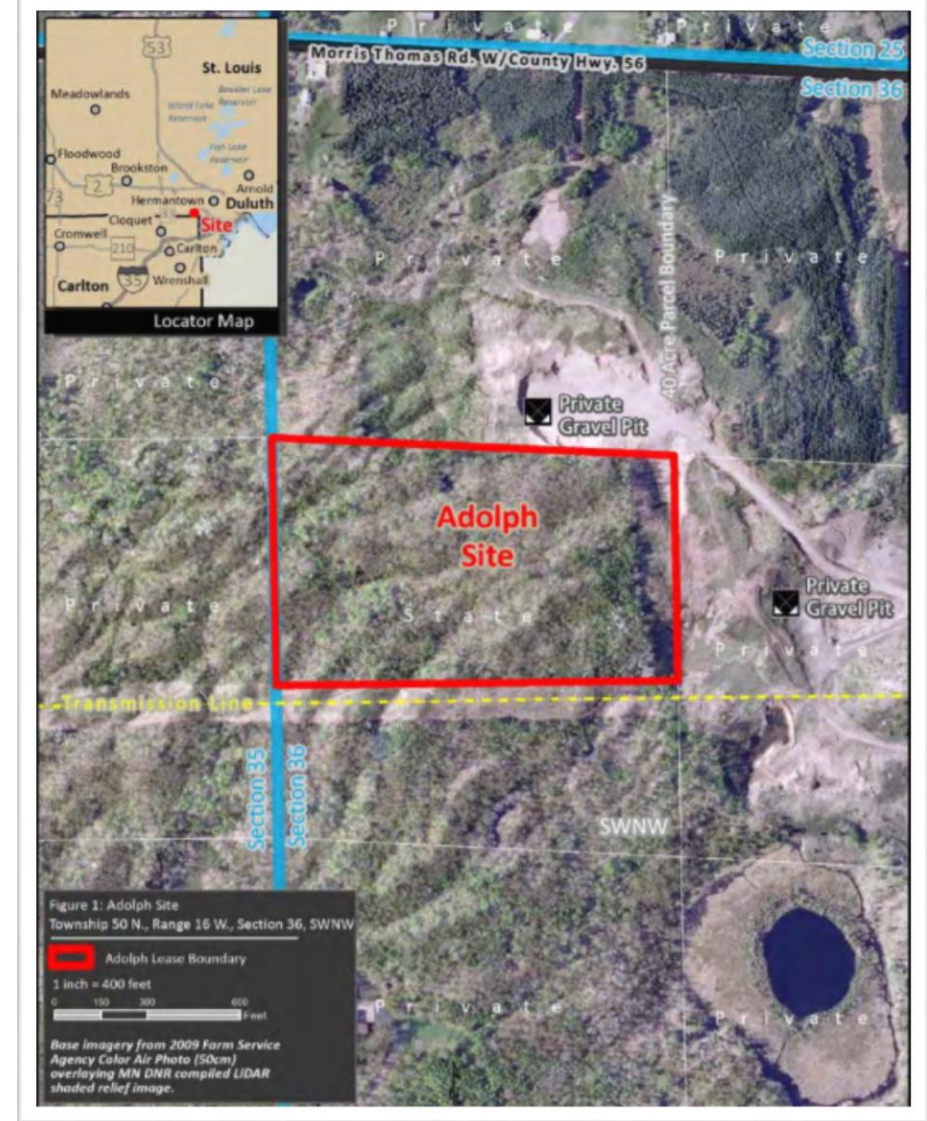




# Duty #2- Marketing Sites

## Candidate aggregate lease site development

- Identify candidate School Trust sites with high aggregate resource potential and develop a conditional lease for them.
- Understand resource concerns and management requirements early, so DNR can issue leases in a timely manner when there is interest.
- Advertise on the Aggregate Finder Web map
- Does not guarantee a lease



## Duty #3- Administering Leases

### Provide technical support

- The DNR administers leases to extract construction aggregates on School Trust lands.
- In FY2016, 32 leases for School Trust aggregate generated \$400,426 in gross revenue.
- Since FY2000, leases for School Trust aggregate have generated about \$4.6M in gross revenue.



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