



LOWER MINNESOTA RIVER WATERSHED DISTRICT

Executive Summary for Action

Lower Minnesota River Watershed District Board of Managers Meeting

Wednesday, June 18, 2025

Agenda Item

Item 7. A. - Dredge Management

Prepared By

Linda Loomis, Administrator

Summary

On June 3, 2025, the LMRWD was notified by CHS Inc. that environmental testing of sediments scheduled for removal from the barge slip revealed manganese levels exceeding allowable limits. CHS Inc. promptly informed the LMRWD upon discovering the exceedance. Legal counsel and technical consultants were immediately brought into the discussion.

Due to the elevated manganese levels, the dredged material does not meet Tier I standards and will require more costly disposal. Legal counsel has advised that materials exceeding the allowable limits be segregated from compliant materials on-site. However, this may present logistical challenges, as dredged materials from barge terminals must be contained and cannot be stacked in the same manner as main channel materials.

Taylor Luke of LS Marine noted that the manganese levels in this year's dredged material are consistent with previous years. The issue arises from the Minnesota Pollution Control Agency (MPCA) having recently lowered the allowable threshold—potentially below natural background levels.

The LMRWD is coordinating a meeting this week with all relevant parties, including legal counsel, LS Marine, terminal operators, and technical consultants, to discuss the situation and explore viable management options.

At a minimum, the license agreement between the LMRWD, Cargill, CHS Inc., and Riverland Ag Corporation should be updated. Riverland Ag Corporation is now known as Savage Riverport.

Attachments

Amended and Restated Non-Exclusive License Agreement by and among the LMRWD, Cargill Inc. CHS, Inc. and Riverland Ag Corporation

Recommended Action

Motion to authorize updating the License Agreement

AMENDED AND RESTATED NON-EXCLUSIVE LICENSE AGREEMENT

This Amended and Restated License Agreement (the “Agreement”), by and among the Lower Minnesota River Watershed District (“Licensor”) and Cargill, Incorporated (“Cargill”), Riverland Ag Corporation (“Riverland”) and CHS, Inc. (“CHS”) (individually “Licensee” and collectively, “Licensees”), is hereby entered into and effective this 13th day of December, 2017 (the “Effective Date”).

Witnesseth

Whereas, Cargill, Riverland and CHS entered into a Non-Exclusive License Agreement effective August 8, 2014 and a first amendment effective August 15, 2014 (“2014 Agreement”)

Whereas, Cargill, Riverland and CHS desire to amend and restate the 2014 Agreement (“Original Agreements”) in its entirety and to incorporate certain agreed upon changes and clarifications.

RECITALS

1. Licensor is the owner of a certain parcel of real property located at mile 14.2 of the Minnesota River, as shown on the site map attached hereto as Exhibit A. Licensor has granted Licensees access to a portion of the property for the placement of private dredge material. Under this Agreement, Licensor intends to grant a license (“License”) to each Licensee to access and use the portions of the parcel labeled and marked on the map attached as Exhibit A as the “West River Access”, the “Private Dredge Containment - 48,400cy est. capacity (2 acres x 15 foot maximum height of deposit),” and “Proposed Onsite Access Roads” (the “Licensed Premise”).

2. Each Licensee intends to access and use the Licensed Premise to conduct Operations (defined herein) permitted by the terms of this Agreement, including placing, storing, decanting, and removing Dredge Material (as defined herein) onto, around, or from the Licensed Premise, except the Proposed Onsite Access Roads (as marked on the map attached as Exhibit A) may be only used for ingress and egress.

3. Licensor has agreed that each Licensee may deposit and store Dredge Material in the Private Dredge Containment within the Licensed Premise, only as needed until it can be moved off of the Licensed Premise, pursuant to the terms and conditions of this Agreement, provided that neither the manner of placement of the Dredge Material nor the Dredge Material itself results in any non-compliance with, or liability under, Environmental Laws, as defined below.

4. Each Licensee shall retain a licensed marine contractor as its contractor and representative to carry out certain of its duties and obligations under this Agreement (each, a

“Licensee Contractor”). Each Licensee shall be responsible for ensuring that all obligations of its Licensee Contractor under this Agreement are performed.

5. Licensors and Licensees have entered into this Agreement understanding that it may be later amended to add additional Licensees by mutual agreement of the Parties and subject to the storage limitations on the Licensed Premise.

NOW THEREFORE THIS AGREEMENT WITNESSES that in return for valuable consideration and the mutual covenants set forth below, receipt and sufficiency acknowledged, Licensors and each Licensee agree as follows:

1. INCORPORATION OF RECITALS. The recitals above are incorporated into the body of this Agreement by reference.

2. DEFINITIONS. For the purpose of this Agreement, the following terms shall have the meanings set forth below:

(a) “Environmental Laws” means any and all laws, regulations, rules, orders, ordinances, or requirements of any governmental authority (including court rulings establishing common law liability) pertaining to the presence or release of environmental contaminants (including any Hazardous Substances or Hazardous Wastes), or relating to natural resources (including any protected species) or the environment (including the air, water, surface or subsurface of the ground) as the same are in effect at any time and including the Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”), as amended by Superfund Amendments and Reauthorization Act (SARA), 42 U.S.C. §§ 9601 et seq.; Resource Conservation and Recovery Act (“RCRA”), as amended by the Solid Waste Disposal Act, 42 U.S.C. §§ 6901 et seq.; Federal Water Pollution Control Act, as amended by the Clean Water Act, 33 U.S.C. §§ 1251 et seq.; Clean Air Act, 42 U.S.C., §§ 7401 et seq.; Toxic Substances Control Act, 15 U.S.C., §§ 2601 et seq., as each are amended from time to time, and any similar state or local enactments.

(b) “Force Majeure” means any event outside of Licensors’ or any Licensee’s reasonable control which prevents or delays compliance with any obligation required under this Agreement, including: (i) an act of God, landslide, lightning, earthquake, fire, explosion, storm, or similar occurrence; (ii) any act of any federal, state, county or local court, administrative agency or governmental office or body that stays, invalidates, or otherwise affects this Agreement with respect to Dredge Material; or (iii) the adoption or change (including a change in interpretation or enforcement) of any federal, state, county, or local law, rule, permit, regulation or ordinance after the Effective Date, applicable to the obligations of this Agreement that has a material adverse effect on a Licensee’s or Licensors’ ability to perform the contractual obligations of this Agreement.

(c) “Hazardous Substance” shall have the meaning specified in CERCLA, or any successor statute, unless such term has been given broader meaning by laws, regulations, rules, orders, ordinances, requirements or determinations of any governmental authority having jurisdiction with respect to the Licensed Premise or this Agreement (including courts establishing common law liability), in which case such broader meaning shall apply.

(d) “Hazardous Waste” shall have the meaning specified in RCRA, or any successor statute, unless such term has been given broader meaning by laws, regulations, rules, orders, ordinances, requirements or determinations of any governmental authority having jurisdiction with respect to the Licensed Premise or this Agreement (including courts establishing common law liability), in which case such broader meaning shall apply.

(e) “Operations” means dredging, handling, decanting, placing, storing, and/or removing Dredge Material into, onto, or off of the Licensed Premise, conducted by any Licensee, including such Licensee’s agent, representative, employee, contractor, or consultant, pursuant to such Licensee’s rights and obligations under this Agreement.

(f) “Term” shall mean collectively, the period of time between the Effective Date of this Agreement through two (2) years (“Initial Term”) and thereafter, will automatically renew for subsequent consecutive one (1) year terms (“Renewal Term”) unless earlier terminated pursuant to the terms of this Agreement.

(g) “Dredge Material” refers to the river spoil material removed by each Licensee from the Minnesota River that is placed by a Licensee on the Private Dredge Containment.

3. MANAGEMENT OF LICENSED PREMISE

(a) Licensees shall be severally and jointly responsible for the cost and responsibility of ensuring that a berm, dike, and/or other management measures, including those directed by the Licensor, (the “Management Measures”) are implemented, constructed and maintained in compliance with the requirements of this Agreement, all applicable laws, and permits.

(b) Prior to commencing any Management Measures or Operations, Licensees shall consult with Licensor regarding such Management Measures and receive written approval of such Management Measures from Licensor. Licensor may from time to time require changes, updates, and/or amendments to the Management Measures.

(c) Each Licensee shall ensure its compliance with all permits issued by the Minnesota Pollution Control Agency (“MPCA”) to such Licensee and any permits issued to Licensor with provisions relating to Licensees’ Operations at the Licensed Premise, including but not limited to permits issued by MPCA and the City of Savage (including but not limited to the Conditional Use Permit, dated July 7, 2014, a copy of which is attached as Exhibit B), prior to, during or after any Licensees’ placing any Dredge Material on the Licensed Premise during the Term. The Management Measures shall ensure that the Dredge Material placed at the Licensed Premise by each Licensee is managed to control runoff, including stormwater, as required to perform the Operations in compliance with all other applicable Environmental Laws.

(d) The Management Measures and all Operations shall ensure that at all times each Licensee’s Dredge Materials remain separate and not commingled with any materials outside the perimeter of the Private Dredge Containment on the Licensed Premise, including those materials placed by the United States Army Corps of Engineers on adjacent property prior to or during the Term of this Agreement; provided, however, that each Licensee’s Dredge Materials may be commingled with the Dredge Materials of the other Licensees.

(e) The Licensees shall reasonably work together to obtain quotes/bids for the costs of the Management Measures and to retain a licensed and reputable contractor to perform the construction and maintenance of the Management Measures.

(f) Nothing in this section shall prevent Licensor from improving, modifying or maintaining the Licensed Premise.

4. DREDGE MATERIAL SAMPLING AND VOLUME

(a) Each Licensee shall obtain testing and analysis of the material it intends to dredge and place in the Private Dredge Containment by a reputable environmental consultant. The testing and analysis will assess all criteria set forth in the tables attached hereto as Exhibit C (the “Testing Metrics”) and follow generally accepted industry standards and scientifically sound methods necessary to ensure determination of the presence of, and the levels of, any Hazardous Substance and/or Hazardous Waste, as required to classify the material under the MPCA dredge material management levels. At least three (3) days prior to placing any Dredge Material on the Licensed Premise, each Licensee shall provide Licensor, or its designated representative, with written confirmation of the analytical results of the Testing Metrics for the material to be dredged, along with written confirmation from an environmental consultant confirming that the results of the Testing Metrics indicate that the Dredge Material is classified as Level 1 under the MPCA dredge material management levels (collectively with the Testing Metrics, the “Level 1 Confirmation”). Each Licensee shall maintain records of its Level I Confirmation for two (2) years following the Term of this Agreement. Each Licensee shall provide Licensor and each other Licensee with copies of the Level I Confirmation and Testing Metrics as soon as practicable, and in any case before placing any Dredge Material on the Private Dredge Containment.

(b) The anticipated volume of Dredge Material to be placed by each Licensee or Licensee Contractor on the Private Dredge Containment shall be calculated by a qualified contractor, at each Licensee’s sole expense, by performing soundings of the area to be dredged (the “Initial Soundings”). At least three (3) days prior to placement of Dredge Material on the Private Dredge Containment, each Licensee shall provide Licensor, or its designated representative, a written report of the Initial Soundings. Each Licensee shall maintain records of the Initial Soundings for two (2) years following the Term of this Agreement. Each Licensee shall provide Licensor and each Licensee with copies of the Initial Soundings as soon as practicable, and in any case before placing any Dredge Material on the Private Dredge Containment.

(c) Within sixty (60) days of completing dredging and placement of Dredge Material on the Private Dredge Containment, the volume of the Dredge Material placed on the Private Dredge Containment shall be refined by a qualified contractor, at each Licensee’s sole expense, by performing additional soundings of the area that was dredged (the “Supplemental Soundings”). The Supplemental Soundings shall be taken along lines which are transverse to the dredging limits and not more than one hundred (100) feet apart. Each Licensee shall provide Licensor and each Licensee a written report of the Supplemental Soundings as soon as practicable. Each Licensee shall maintain records of the Supplemental Soundings for two (2) years following the Term of this Agreement.

(d) The results of the Initial Soundings and the Supplemental Soundings shall be used to determine the actual yardage of Dredge Material each Licensee placed on the Private Dredge Containment (the “Actual Yardage”).

(e) Each Licensee shall maintain records of the Removed Volume (defined below) for two (2) years following the Term of this Agreement. Each Licensee shall provide Licensor and each Licensee with written confirmation of the Removed Volume as soon as practicable.

5. NOTICE AND REMOVAL OF DREDGE MATERIALS

(a) Each Licensee or its Licensee Contractor shall notify Licensor, or its designated representative, at least three (3) days in advance of placing Dredge Material on the Private Dredge Containment and obtain verbal approval from Licensor prior to accessing the Licensed Premise. Access to the Licensed Premise will be permitted by the Licensor at its sole discretion to each Licensee for the Operations.

(b) Upon written notice from Licensor to all Licensees, the Licensees agree to immediately cease placing any additional Dredge Material at the Private Dredge Containment. Additional placement of Dredge Material at the Private Dredge Containment may resume only upon written approval of Licensor or its designated representative, which approval shall be at Licensor’s sole discretion. During any such period of ordered cessation, each Licensee shall retain all rights allowed by this Agreement to handle, manage, remove, store (for the time periods set forth in this Section 5) or otherwise access all Dredge Material previously placed on the Private Dredge Containment.

(c) To the extent Licensor is ordered by any governmental authority to remove any Licensee’s Dredge Material from the Licensed Premise, each Licensee shall immediately remove such Actual Yardage of Dredge Material placed on the Licensed Premise by such Licensee. To the extent that Licensor requests that a Licensee remove any Dredge Material in addition to the total Actual Yardage evidenced by each Licensee’s records, Licensees shall promptly remove such disputed amount and Licensee and Licensor shall reasonably work to resolve any dispute regarding the costs of such removal and disposal. However, Licensor’s decision is controlling. As soon as practicable after Licensor’s receipt of such order, Licensor shall provide each Licensee with a copy of the order.

(d) Unless agreed to, in writing, by the Licensor, each Licensee shall, before the close of the current Term (i.e. within twenty four (24) months after the Effective Date), remove a quantity of Dredge Material (the “Removed Volume”) equal in volume to the Actual Yardage it brought onto the Licensed Premise during the Term. The Removed Volume shall be confirmed by each Licensee’s Contractor and documented in writing. Each Licensee agrees to waive any claims or rights of action against Licensor relating to any disagreement regarding the accuracy of the Actual Yardage, the Removed Volume, or the difference between the Actual Yardage and the Removed Volume. To the extent any Licensee fails to remove its Actual Yardage within 12 (twelve) months of placing such material on the Private Dredge Containment, such Licensee is no longer conducting short term storage, as defined by the MPCA, and unless such Licensee has provided evidence to Licensor and each other Licensee, prior to exceeding the twelve (12) month

timeline, of obtaining all necessary permits to legally allow such storage, such Licensee shall be in default under this Agreement.

(e) Licensees are jointly and severally liable for all costs, expenses, fees, or other damages associated with removing the total Actual Yardage from the Private Dredge Containment. Licensors shall have no liability for such costs, expenses, fees or other damages.

6. LICENSOR'S FEES

(a) In consideration of the License granted herein, each Licensee shall pay Licensors the fee of \$1.00 (the "Base Fee") for each cubic yard of Dredge Material based on the Actual Yardage placed in the Private Dredge Containment at the address written below, or at some other address as designated by Licensors. Prior to placing any Dredge Material on the Private Dredge Containment, each Licensee shall pay Licensors a portion of its Base Fee, based on 75% of the volume of such Licensee's Initial Sounding (e.g., 75% multiplied by \$1.00, multiplied by the number of yards determined in the Initial Sounding). The remaining portion of each Licensee's Base Fee, as required to pay for its Actual Yardage, shall be paid to Licensors within ten (10) business days of receiving its Supplemental Soundings, and in no case later than ninety (90) days after completing placement of Dredge Material on the Private Dredge Containment.

(b) In addition to the Base Fee, each Licensee shall pay Licensors \$0.50 for each cubic yard, based on the Actual Yardage, that such Licensee fails to remove by the end of the twelfth (12th) month following the placement under this Agreement or the 2014 Agreement (the "Long Term Storage Fee"). Each Licensee shall pay its Long Term Storage Fee within thirty (30) days of the twelfth (12th) month of this placement to the Licensors at the address written below, or at some other address as designated by Licensors.

(c) No Licensee shall be obligated to Licensors to deliver Dredge Material to the Licensed Premise, nor have any obligation to pay a Base Fee or Long Term Storage Fee, if the Licensee does not deliver any Dredge Material to the Licensed Premise or perform any other Operations during the Term of this Agreement. If a Licensee knows it will not deliver any Dredge Material to the Licensed Premise or perform Operations under this Agreement, the Licensee shall as soon as reasonably practicable thereafter provide written notice of such decision to all other parties to this Agreement.

7. LICENSEES' REPRESENTATIONS AND WARRANTIES. Each Licensee hereby represents and warrants to each other Licensee and to Licensors, the following representations and warranties are correct and true as of the Effective Date of this Agreement:

(a) Licensee shall materially comply with all applicable federal, state and local laws, rules, regulations and ordinances, and permits and licenses issued to such Licensee, including the permits listed in Exhibit D hereto, now or hereafter in force, and warrants that it has all the permits and licenses necessary to perform the Operations described in this Agreement.

(b) As of the Effective Date, each Licensee represents that it has provided Licensors with a copy of its permits listed on Exhibit D and further represents that it will provide Licensors with any amendments thereto during the Term of this Agreement.

(c) Each Licensee is solely responsible for the acts and omissions of its employees and agents performing any services under this Agreement. Each Licensee shall take all reasonable precaution for, and will provide all reasonable protection to prevent damage, injury, or loss to the Licensed Premise and to Licensor and the other Licensees, including all such parties' employees, agents or representatives that may be directly impacted by the Operations.

(d) No Licensee shall use the Licensed Premise for any activity not authorized in this Agreement and shall not perform, or permit it any of its employees, agents or representatives to perform, any unauthorized activities or commit any nuisance on the Licensed Premise.

(e) Each Licensee acknowledges that its Licensee Contractor is its agent and that it is responsible for the acts and omissions of its Licensee Contractor.

Any claim against any Licensee alleging a breach of warranty or representation shall be deemed waived if not brought with in the applicable statute of limitations period.

8. INDEMNIFICATION BY EACH LICENSEE. Each Licensee shall indemnify and hold harmless each other Licensee and Licensor, including the officers, directors, shareholders, employees, and agents thereto, from and against any and all losses, claims, demands, suits, fines, penalties, costs, liabilities or expenses, including reasonable attorneys' fees to the extent caused by or attributed to:

(a) Licensee's breach of any representation, warranty, or other provision of this Agreement;

(b) Any negligent or willful act or omission of Licensee or its employees, subcontractors, or agents; or

(c) Licensee's performance of the rights and obligations of this Agreement, including but not limited to claims arising under any Environmental Law.

In giving this indemnity, each Licensee expressly waives any right it may have to seek or obtain indemnification from Licensor for damages or claims derived from the actions of any other Licensee relating to the Licensed Premise.

9. RELEASE AS TO ANY ACTIONS BY LICENSOR

(a) Except that Licensor shall not permit any party other than each Licensee to deposit any material in the Private Dredge Containment, Licensor makes no representations or warranties under this Agreement, and grants the License on an "as-is, where-is" basis.

(b) Each Licensee, on behalf of its past, present and future directors, officers, employees, agents, affiliates or any of their respective successors and assigns, hereby releases and forever discharges Licensor and each of its directors, officers, employees, agents, affiliates or any of its respective assigns, from and against any and all past, present and future actions, causes of action, claims, suits, demands, damages, fees (including attorney fees), costs, judgments, liabilities, orders, sums of money or other amounts owed, of any kind, whether known or unknown, at law, in equity, contingent or otherwise, relating to or otherwise arising

from the use or occupation of the Licensed Premise by Licensee at any time during the Term, except to the extent arising from or related to Licensor's gross negligence.

10. INSURANCE. Prior to the execution of this Agreement, each Licensee shall furnish Licensor copies of insurance certificates evidencing that it maintains the following coverages or any higher amounts as required by law or regulation:

Types of Insurance	Limits
Workers' Compensation	Statutory
Employers' Liability	\$1,000,000 each occurrence
Commercial General Liability, including Contractual Liability	Bodily injury and death: \$2,000,000 each occurrence
Automobile Liability	Property damage: \$2,000,000, combined single limits

Licensor shall be included as an additional insured on each Licensee's general liability policy. Each Licensee, or its representative, shall provide Licensor with at least thirty (30) days prior written notice of cancellation or non-renewal of any insurance coverage. The general liability insurance coverage will be written on an occurrence rather than on a claims made basis and will remain in effect during the Term. To the extent any Licensee fails to maintain these insurance obligations, Licensor is entitled to immediately exercise a right to terminate this Agreement but must simultaneously execute a restated agreement with the Licensees that remain in compliance with their insurance obligations under this Agreement.

11. FINANCIAL ASSURANCE

(a) Prior to placing any Dredge Material on the Private Dredge Containment, each Licensee shall obtain, and provide evidence to Licensor and each other Licensee, a financial assurance for the benefit of Licensor, in the form of a performance or payment bond, letter of credit or escrow, either of which the Licensor shall accept at its sole option (the "Financial Assurance").

Any bond issued under this section shall be executed by such sureties as are named in the list of "Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies" as published in Circular 570 (amended) by the Financial Management Service, Surety Bond Branch, U.S. Department of the Treasury. All bonds signed by an agent or attorney-in-fact must be accompanied by a certified copy of that individual's authority to bind the surety. The evidence of authority shall show that it is effective on the date the agent or attorney-in-fact signed each bond.

If the surety on any bond furnished by a Licensee is declared bankrupt or becomes insolvent or its right to do business in Minnesota is terminated, the Licensee shall promptly

notify Licensor and shall, within 20 days after the event giving rise to such notification, provide another bond and surety.

The minimum amount of Financial Assurance shall be calculated at a rate of \$20/yard, with yardage based on the Initial Sounding. To the extent the volume of any Licensee's Actual Yardage is larger than its Initial Sounding, such Licensee shall increase its Financial Assurance, as necessary, within ten (10) business days of receiving its Supplemental Soundings, to ensure that its Financial Assurance is equal to or greater than \$20/yard, based on the Actual Yardage volume. Based on the yardage of Dredge Materials each Licensee currently has at the Licensed Premise, each Licensee will provide Financial Assurance in the following amounts, subject to adjustment as set forth in this Section 11(a):

Cargill:	\$347,280
Riverland:	\$125,700
CHS:	\$203,680

(b) In the event that the Licensees do not remove the Dredge Material placed on the Licensed Premise, in accordance with the obligations set forth in this Agreement, the remaining Dredge Material shall be deemed "Holdover Yardage". The Licensor may draw on the Financial Assurance to pay for the costs of removing and disposing of Holdover Yardage at a location to be chosen at the sole option of Licensor. To the extent the Licensees provide evidence to Licensor that a certain quantity of Holdover Yardage is attributable to any Licensee's failure to remove its individual allocation of Actual Yardage, Licensor shall consider such information in determining which Licensee's Financial Assurance it shall draw upon for the cost of removal. However, Licensor's decision is controlling.

(c) Licensor shall also have the right to draw down on a Licensee's Financial Assurance to the extent such Licensee is in default under the terms of this Agreement and fails to cure such default, to Licensor's reasonable satisfaction, within 5 (five) business days of receipt of written notice of default from Licensor. Licensor may immediately draw down on Licensee's Financial Assurance, without providing notice or a right to cure, in the event Licensee's default under this Agreement results in an emergency requiring immediate action by Licensor under applicable laws, regulations, or governmental orders.

(d) Six (6) months following the Effective Date of this Agreement, each Licensee may reduce its existing Financial Assurance, based on a rate of \$20/cubic yard determined by evidence of the difference between each Licensee's Actual Yardage and Removed Volume, and Licensor shall reasonably cooperate with such Licensee to facilitate this reduction of Financial Assurance.

(e) Financial Assurance shall remain in place during the Term and for a period of 12 months after the Term or until released by Licensor, whichever is less. The Financial Assurance may be extended to a subsequent Term under an amendment to this Agreement.

12. NOTICES. All notices and communication required or permitted under this Agreement shall be sufficiently given if delivered in person or by certified mail, or by e-mail upon the applicable Licensee's or Licensor's consent for specific notices or communications,

to the address set forth below or to such other address as one party may have furnished to the other in writing.

Lower Minnesota River Watershed District
112 East 5th Street, Suite 102
Chaska, MN 55318
Attn: Administrator
naiadconsulting@gmail.com

With Copy To: Whoever is the President and to whoever is general legal
Counsel of the Lower Minnesota River Watershed District
As Licenser has informed Licensees by Notice

Cargill, Incorporated
12105 Lynn Ave.
Savage, Minnesota 55378
Attn: Ruben Chong
ruben_chong@cargill.com

With Copy To: Cargill, Incorporated
Law Department
15407 McGinty Road West MS 24
Wayzata, MN 55391
Attn: Gina Young, Attorney
gina_young@cargill.com

Riverland Ag Corp.
1660 South Highway 100
Suite 350
St. Louis Park, MN 55416
Attn: Kyle Egbert

CHS Inc.
5500 Cenex Drive
Inver Grove Heights, MN 55077
Attn: Senior Vice President, AG Business
greg.oberle@chsinc.com

13. TERMINATION. Except for the provisions of Section 7 (“Licensee’s Representations and Warranties”), Section 8 (“Indemnification By Each Licensee”), and Section 11 (“Financial Assurance”), Licenser for any reason, or no reason at all, may terminate this License upon thirty (30) days’ written notice of its intent to terminate this Agreement. In such event, Licenser shall not be liable to any Licensee for any consequences to, or costs or damages incurred by Licensee due to such termination.

14. INDEPENDENT CONTRACTOR. The Licenser and each Licensee are independent contractors and all persons employed or used by each party to perform the

Operations described in the Agreement are independent contractors not employees or agents of another party, and all persons operating equipment or employed in connection therewith, where such vehicles or vessels are owned, leased, or hired by any Licensee shall be agents of the hiring Licensee and not employees of other Licensees or the Licensors.

15. OVERRIDING PROVISIONS. Notwithstanding any language to the contrary herein, as to conducting Operations, Licensee at its sole cost will follow the oral and/or written instructions of the Administrator of the Licensors or the entity that is the Licensors's designated site manager of the Licensed Premise. Such instructions may be given to any person who is present on the Licensed Premise acting on behalf of the Licensee. Any oral instructions shall be submitted in writing as soon as reasonably possible thereafter in a notice to the Licensee involved per Section 12 of this Agreement.

16. GOVERNING LAW. This Agreement shall be governed and construed in accordance with the laws of the State of Minnesota, without regard to its rules governing conflicts of laws. Any lawsuit brought in connection with this Agreement must be brought in the District Court for Scott County, Minnesota.

17. ASSIGNMENT. This Agreement will bind and inure to the benefit of the Licensors and each of the Licensees hereto and their respective heirs, successors and assigns. No party shall assign this Agreement without the prior written consent of each other party.

18. WAIVER. Any Licensee's or Licensors's waiver of any breach, or failure to enforce any of the terms or conditions of this Agreement, shall not in any way affect, limit, the right of any other party to this Agreement to thereafter enforce or compel compliance with every term and condition of this Agreement or to terminate this Agreement for breach.

19. FORCE MAJEURE. Whenever the time for performance of any act under this Agreement is limited and such performance is prevented or delayed by any factor or circumstance beyond a party's control, and which that party could not have avoided by the use of due diligence, such as acts of God, fire, strikes or labor troubles, new legislation or regulations limiting the operations contemplated by the parties, embargoes, war, or other disabling causes, then the time for the performance of any such act or obligation of that party will be extended for a period equal to the extent of the delay.

20. ENTIRE AGREEMENT. This Agreement, and any referenced exhibits or amendments, constitutes the entire Agreement between the parties, and supersedes all previous agreements (including the 2014 Agreement), either written or oral, between the parties. This Agreement shall govern if there is a conflict between this Agreement and any exhibit or attachment.

21. SEVERABILITY. In the event that any part of this Agreement shall prove to be invalid, void or illegal, such judgment shall not affect, impair or invalidate any other provision hereof and such remaining provisions shall remain in full force and effect.

22. EXECUTION IN COUNTERPARTS. This agreement may be executed in counterparts with the first date of signature of any Licensee being the Effective Date of this agreement to be added above by Licensors.

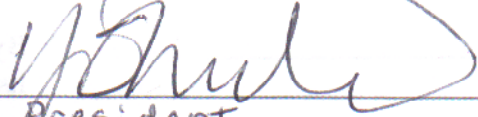
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IN WITNESS WHEREOF, the parties have executed this Agreement as follows:

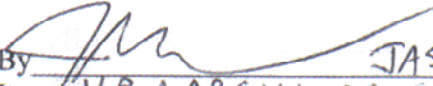
LOWER MINNESOTA RIVER WATERSHED
DISTRICT

Dated: 12-13-2017

By 
Its President

CARGILL, INCORPORATED

Dated: 10-30-2017

By  JASON MEYER
Its VP CARGILL AG SUPPLY CHAIN NA

RIVERLAND AG CORP.

Dated: _____

By _____
Its _____

CHS, INC.

Dated: _____

By _____
Its _____

IN WITNESS WHEREOF, the parties have executed this Agreement as follows:

LOWER MINNESOTA RIVER WATERSHED
DISTRICT

Dated: _____

By _____
Its _____

CARGILL, INCORPORATED

Dated: _____

By _____
Its _____

RIVERLAND AG CORP.

Dated: 11/7/2017

By [Signature]
Its CFO

CHS, INC.

Dated: _____

By _____
Its _____

IN WITNESS WHEREOF, the parties have executed this Agreement as follows:

LOWER MINNESOTA RIVER WATERSHED
DISTRICT

Dated: _____

By _____
Its _____

CARGILL, INCORPORATED

Dated: _____

By _____
Its _____

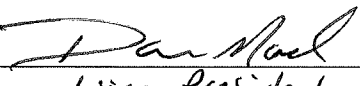
RIVERLAND AG CORP.

Dated: _____

By _____
Its _____

CHS, INC.

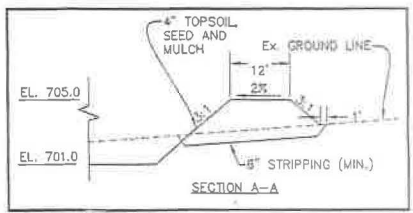
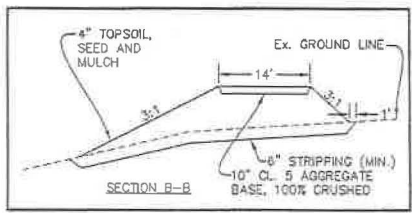
Dated: 11-13-17

By 
Its Vice President

EXHIBITS

- Exhibit A: Map of the Licensed Premises
- Exhibit B: Conditional Use Permit, dated July 7, 2014, issued by the City of Savage to Lower Minnesota River Watershed District
- Exhibit C: Testing Metrics
- Exhibit D: Schedule of Permits

EXHIBIT A



Site Volume Table: Unadjusted

Site	Stratum	Surf1	Surf2	Cut	Fill	Net Method
SPOIL SITE 2	spoil site 2	z-grg	c-topo-ig-cl	17062	8382	8680 (C) Grid area
				17203	8741	8462 (C) End area

MINNESOTA

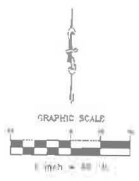
RIVER

Private Dredge Containment -
48,400cy est. capacity
(2 acres x 15')

COE Dredge Stockpile
Estimated Capacity - 145,200cy
(6 acres x 15')

Existing COE Dredge Stockpile/Future
Secondary Dredge Material Storage
Estimated Capacity - 84,700cy
(3.5 acres x 15')

Proposed Onsite
Access Roads



St. Paul Office
2335 West Highway 36
St. Paul, MN 55113
Phone: 651-636-4600
Fax: 651-636-1311

Bonestroo
Rosene
Andertik &
Associates
Engineers & Architects
www.bonestroo.com

LOWER MINNESOTA RIVER WATERSHED DISTRICT
DREDGE SPOIL SITE SURVEY AND ACCESS ROAD
CARGILL DREDGE SITE
BERM/SITE GRADING AND ACCESS ROAD

C3.01

EXHIBIT B

Receipt# 511538

CUP

\$46.00

Cert #

31773

T229710

Return to:
G-SAVAGE CITY
6000 MCCOLL DR
SAVAGE MN 55378



Certified Filed and/or recorded on:

7/15/2014 8:56 AM

Office of the Registrar of Titles
Scott County, Minnesota
James L. Hentges, Registrar of Titles

Certification


STATE OF MINNESOTA)

COUNTY OF SCOTT)


CITY OF SAVAGE)

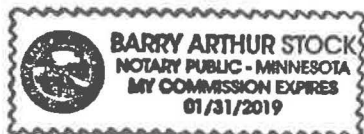
I, the undersigned, being the duly qualified city clerk of the City of Savage, Minnesota, hereby certify that the attached and foregoing is a true and correct photocopy of Resolution No. R-14-83, a resolution approving an amendment to a conditional use permit to allow dredging and fill within the floodway district at 12025 Vernon Avenue, the original of which is on file and of record at the Savage City Hall, 6000 McColl Drive, Savage, Minnesota.

Dated this 8th day of July, 2014.


Ellen Classen
City Clerk

Attest:


Notary Public



Receipt# 511538

CUP

\$46.00

Return to:
G-SAVAGE CITY
6000 MCCOLL DR
SAVAGE MN 55378

A961453



Certified Filed and/or recorded on:

7/15/2014 8:56 AM

Office of the County Recorder
Scott County, Minnesota
James L. Hentges, County Recorder

RESOLUTION NO. R-14-83

RESOLUTION APPROVING AMENDMENT TO CONDITIONAL USE PERMIT
ALLOWING DREDGING AND FILL WITHIN THE FLOODWAY DISTRICT
LOWER MINNESOTA RIVER WATERSHED DISTRICT
12025 VERNON AVENUE

WHEREAS, the Lower Minnesota River Watershed District (LMRWD) has applied to the City of Savage for an amendment to their original conditional use permit (CUP) granted by Resolution No. 06-82 on July 10, 2006 that allowed for the placement of dredging materials within the Floodway District on the following legally described property:

T A
A 26-266-005-0 (L5)
-006-0 (L6)
Lots 5 and 6, Auditor's Subdivision No. 1, Savage, Minnesota, a duly recorded plat, Scott County, Minnesota and that part of Lot 1, Auditor's Subdivision No. 3, Savage, Minnesota, a duly recorded plat, Scott County, Minnesota lying northerly of the following described line and its westerly extension: Commencing at the northeast corner of Section 9, Township 115, North, Range 21 West, Scott County, Minnesota; thence South 00 degrees 03 minutes 13 seconds west, assumed bearing, along the westerly line of said Lot 1 a distance of 55.48 feet; thence southeasterly 237.76 feet along the westerly line of said Lot 1 and along a non tangential curve concave to the southwest having a radius of 647.97 feet and a central angle of 21 degrees 01 minutes 26 seconds, the chord of said curve is 236.43 feet in length and bears South 23 degrees 11 minutes 54 seconds east to the point of beginning of the line to be described; thence north 87 degrees 20 minutes 18 seconds east 1322 feet more or less to the shoreline of the Minnesota River, said shoreline also being the northeasterly line of said Lot 1, and said line there terminating.

WHEREAS, the US Army Corps of Engineers dredges accumulated sediment the Minnesota River to keep open the 9-foot navigational channel to allow for barge transportation and the LMRWD is required to provide and manage a placement site for the dredge materials; and

WHEREAS, in 2006, the LMRWD purchased 18 acres and was granted a CUP for a placement site located along on the east side of Vernon Avenue and due to recent difficulties in finding uses for the dredge material, the stockpile had grown to approximately 110,000 cubic yards from dredging operation occurring from 2008 through 2011; and

WHEREAS, recent soil boring tests has found the dredge materials contains more sand than originally thought and the LMRWD has found a contractor, Rachel Contracting, willing to purchase the material to be used for soil corrections in construction projects; and

WHEREAS, the 2006 CUP conditions limited truck traffic to 15 trucks per day; and

WHEREAS, the truck traffic limitation does not allow the removal process to be cost-effective for a contractor to utilize the stockpile for construction projects due to the large volume of material needed and short time frames allowed for construction projects; and

WHEREAS, the LMRWD proposes to reduce the stockpile to a more manageable size by removing the 110,000 cubic yards over the next three construction seasons in addition to approximately 20,000 to 30,000 cubic yards of new dredge material the US Army Corps of Engineers will need to place per year; and

WHEREAS, approximately 38,000 cubic yards need to be removed per season to downsize the stockpile which results in approximately 20 hauling days with up to 300 truck loads hauled per day; and

WHEREAS, after the stockpile has been reduced to a manageable level, it is anticipated that approximately 10 hauling days per year will be need to remove the dredge materials each season; and

WHEREAS, the Vernon Avenue access from TH 13 is a right-in/right-out only turning movement and the City required the applicant to submit a Traffic Impact Study to evaluate truck traffic circulation and proposed impact on TH 13 traffic volumes; and

WHEREAS, staff worked with the applicant on truck traffic routes that would have the least impact to local roadways; and

WHEREAS, the Minnesota River provides barge navigation for several of the world's largest grain marketing companies who operate terminals along the river and the need to remove dredge materials to allow continual dredging of the river to move barge traffic is critical to the economic vitality of these industries; and

WHEREAS, the request was reviewed by the Development Review Committee and new conditions of approval have been included to achieve the goal of reducing the dredge stockpile to a manageable level with the least amount of impact; and

WHEREAS, the following findings are hereby adopted in accordance with Section 152.031 of the Zoning Ordinance:

- 1. The conditional use will not be detrimental to or endanger the public health, safety, comfort, convenience, or general welfare.**

The City required the applicant to conduct a traffic impact study to provide an analysis of the potential impacts the increased hauling operations will have. The study completed by SEH did not indicate any factors that would be detrimental or endanger public health and conditions are being applied to prohibit certain traffic movements.

- 2. The conditional use will not be injurious to the use and enjoyment of other property in the vicinity and will not impede the normal and orderly development and improvement of surrounding property for uses permitted in the district.**

TH 13 already experiences large truck traffic due to the type of industries located along the roadway. The proposed hauling operation is not creating a use that does not already exist in the area and is keeping with the normal and orderly development of surrounding properties.

- 3. The conditional use will be designed, constructed, operated, and maintained in a manner that is compatible in appearance with the existing or intended character of the surrounding area.**

The area along the Minnesota River is comprised of river related industries of which some already have their own private dredging sites. The proposal is very similar and comparable to the existing businesses in the surrounding area and will not change the intended character of the surrounding area.

- 4. The conditional use will not impose hazards or disturbing influences on neighboring properties.**

The proposed dredging operation and increase in truck traffic won't impose any hazards or disturbing influences on the surrounding area because commercial truck traffic already exists along the TH 13 corridor.

- 5. The conditional use will not substantially diminish the value of neighboring properties.**

The proposed dredging operation and hauling of material will not affect the value of neighboring properties as the use has already been in existence since 2006 without any negative impacts on property values.

- 6. The site is served adequately by essential public facilities and services, including utilities, access roads, drainage, police and fire protection and schools or will be served adequately as a result of improvements proposed as part of the conditional use.**

The site is adequately served for the proposed dredging operation needs and will not create a burden for the city to provide any additional public services. Hauling of the dredge material

will not require public utilities; it will not generate students that would affect the capacity of area schools; and would not require any additional police or fire services.

7. Adequate measures have been or will be taken to minimize traffic congestion in the public streets and to provide for adequate on-site circulation of traffic.

The traffic impact study provided an analysis for staff to apply limitations and conditions regarding allowable hours of operation for truck traffic and limiting certain traffic movements to minimize traffic congestion and provide adequate circulation of traffic on public streets.

8. The conditional use is consistent with the applicable policies and recommendations of the City's Comprehensive Plan or other adopted land use studies.

The CUP is consistent with the policies and goals of the 2030 Comprehensive Plan by allowing the Lower Minnesota River Watershed District to continue their dredging operation that keeps the waterway channels open for navigation for the river related industries located along the Minnesota River.

9. The conditional use, in all other respects, conforms to the applicable regulations of the district in which it is located.

The conditional use complies with the all of the requirements within the Savage Zoning Ordinance.

WHEREAS, the application was reviewed by the Development Review Committee and by the Planning Commission during a duly authorized public hearing on June 19, 2014 whereby it was determined the request met the required findings for a conditional use permit as set forth in Section 152.031 of the Savage Zoning Ordinance;

NOW THEREFORE, BE IT RESOLVED that the recitals set forth above are incorporated herein; and

NOW THEREFORE, BE IT RESOLVED that the Mayor and Council of the City of Savage, Scott County, Minnesota, hereby amend the conditional use permit for the Lower Minnesota River Watershed District, subject to the following conditions:

1. Approval is subject to Engineering Department review and approval of all site, grading, construction, and storm water management plans and erosion control plans
2. No grading shall be allowed within required wetland buffers and vegetation must remain as natural wetland grasses.
3. Once the dredging operation has ended, the District shall be responsible to remove the material and restore the site to a height not to exceed 720 feet and seed the site with native vegetative species approved by the Natural Resources Coordinator.
4. The District shall be responsible for the upkeep and on-going maintenance of Vernon Avenue, including any plowing and the road shall be left in equal to or better condition after the 3rd hauling season is completed in 2017. The road's existing condition shall be documented before hauling begins and a meeting on-site with city staff shall be required to determine what restoration is needed to bring the road to the original condition. Final restoration, at a minimum, will include patching with bituminous.
5. The City shall be provided with 24 hour notification of hauling days.
6. There shall be no U turns allowed on TH 13. At no time shall any trucks stack onto TH 13 or any other roadways except Vernon Avenue. Trucks shall be prohibited from blocking railroad tracks.

7. Truck hauling during peak periods shall be limited to the hours of 7 am – 5 pm Monday through Friday. Hauling during nights and weekends shall be with permission only from the City Engineer/Public Works Director.
8. Truck traffic on local roadways shall only be limited to: 1.) empty eastbound trucks returning to the site shall use the south frontage road to Quentin Avenue where they may travel north to the Quentin Avenue stoplight to go eastbound on TH 13 to Vernon Avenue and 2.) loaded trucks exiting the site that need to travel eastbound shall turn left at Dakota Avenue after exiting onto westbound TH 13 and travel east along the south frontage road to Yosemite Avenue to exit onto eastbound TH 13. No other local truck traffic shall be allowed on local roadways.
9. Vernon Avenue shall remain open for two-way truck traffic up to the existing gate at the railroad tracks and may be reduced to one-lane truck traffic north of the gate. The shoulders of Vernon Avenue shall be adequate to handle large size trucks and their turning movements.
10. A monthly report shall be submitted to the City for any month in the calendar year that incurs removal of dredge material. The report shall provide detailed information of the amounts removed, number of trucks hauled, contractor removing material, truck accidents and any other miscellaneous information that may be pertinent to the hauling operation. Information regarding the addition of new dredge material added to the stock pile site shall be provided to the City as they become available.
11. Sediment deposit on public streets as a result of such hauling shall be removed and streets cleaned as required by City staff.
12. The CUP will be formally reviewed by the Planning Commission and City Council after the first hauling season is completed to address any issue that may arise and to possibly add additional conditions regarding the truck hauling operations.

Adopted by the Mayor and Council of the City of Savage, Scott County, Minnesota, this 7th day of July 2014.


Janet Williams, Mayor

ATTEST:


Barry A. Stock
City Administrator

Motion by: Abbott

Second by: McColl

	<u>Aye</u>	<u>Nay</u>
Williams	<u>X</u>	<u> </u>
McColl	<u>X</u>	<u> </u>
Victorey	<u>X</u>	<u> </u>
Abbott	<u>X</u>	<u> </u>
Kelly	<u>X</u>	<u> </u>

EXHIBIT C

Table 5: Dredged material soil reference values

Parameter	Level 1 Soil Reference Value (SRV) (mg/kg, dry weight)	Level 2 Soil Reference Value (SRV) (mg/kg, dry weight)
In-organics-Metals		
Arsenic	9	20
Cadmium	25	200
Chromium III	44,000	100,000
Chromium VI	87	650
Copper	100	9,000
Lead	300	700
Mercury	0.5	1.5
Nickel	560	2,500
Selenium	160	1,300
Zinc	8,700	75,000
Barium	1,100	18,000
Cyanide	60	5,000
Manganese	3,600	8,100
Organics		
PCBs (Total)	1.2	8
Aldrin	1	2
Chlordane	13	74
Endrin	8	56
Dieldrin	0.8	2
Heptachlor	2	3.5
Lindane (Gamma BHC)	9	15
DDT	15	88
DDD	56	125
DDE	40	80
Toxaphene	13	28
2,3,7,8-dioxin, 2,3,7,8-furan and 15 2,3,7,8-substitued dioxin and furan congeners	0.00002	0.000035
Polycyclic Aromatic Hydrocarbons (PAHs)		
Quinoline	4	7
Naphthalene	10	28
Pyrene	890	5,800
Fluorene	850	4,120
Acenaphthene	1,200	5,260
Anthracene	7,800	45,400
Fluoranthene	1,080	6,800
Benzo (a) pyrene (BAP)/BAP equivalent	2	3
*Benzo (a) anthracene	*Dibenz (a,h) anthracene	*3-Methylcholanthrene
*Benzo (b) fluoranthene	*7H-Dibenzo (c,g) carbazole	*5-Methylchrysene
*Benzo (j) fluoranthene	*Dibenzo (a,e) pyrene	*5-Nitroacenaphthene
*Benzo (k) fluoranthene	*Dibenzo (a,h) pyrene	*1-Nitropyrene
*Benzo (a) pyrene	*Dibenzo (a,i) pyrene	*6-Nitrochrysene
*Chrysene	*Dibenzo (a,l) pyrene	*2-Nitrofluorene
*Dibenz (a,j) acridine	*1,6-Dinitropyrene	*4-Nitropyrene
*Dibenz (a,h) acridine	*1,8-Dinitropyrene	
*7,12-Dimethylbenz[a]anthracene	*Indeno (1, 2, 3-cd) pyrene	

*The results for these analytes should be added together and treated as the BAP equivalent which is compared against the soil reference value for Benzo (a) pyrene, above.

EXHIBIT D

Licensees Dredge Permits

Cargill, Incorporated

- National Pollutant Discharge Elimination System (NPDES)/State Disposal System (SDS) Permit MN0062201
 - Permittee: Cargill AgHorizons
 - Facility Name: Cargill AgHorizons – West Elevator Dredge
 - Issuance Date: April 4, 2012
 - Expiration Date: March 31, 2017

- National Pollutant Discharge Elimination System (NPDES)/State Disposal System (SDS) Permit MN0054445
 - Permittee: Cargill AgHorizons
 - Facility Name: Cargill AgHorizons – East Elevator Dredge
 - Issuance Date: April 4, 2012
 - Expiration Date: March 31, 2017