

Minnesota Wetland Conservation Act

Notice of Decision

Permit to Mine

Approving Authority Department of Natural Resources Division of Lands and Minerals (DNR)	Address 500 Lafayette Road N, Box 45 St. Paul, MN 55155-4045
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1. PROJECT INFORMATION

Applicant Name	Project Name	Date of Application
U. S. Steel Keetac	Tailings Basin Management WRP	October 12, 2021
<input checked="" type="checkbox"/> Attach site locator maps: Figure 1 – Site Location Map		

Type of Decision:

<input type="checkbox"/> Wetland Boundary or Type	<input type="checkbox"/> No-Loss	<input type="checkbox"/> Incidental	<input type="checkbox"/> Sequencing
<input checked="" type="checkbox"/> Replacement Plan		<input type="checkbox"/> Banking Plan	

Technical Evaluation Panel Findings and Recommendation (if any):

<input type="checkbox"/> Approve	<input type="checkbox"/> Approve with conditions	<input type="checkbox"/> Deny
Summary (or attach):		

2. APPROVING AUTHORITY DECISION

Date of Decision: September 28, 2022		
<input type="checkbox"/> Approved	<input checked="" type="checkbox"/> Approved with conditions (include below)	<input type="checkbox"/> Denied

Approving Authority Findings and Conclusions

<p>On October 12, 2021, U. S. Steel Keetac (USS Keetac) submitted a Wetland Replacement Plan (WRP) application for impacts at the Keetac Tailings Basin (Keetac) for tailings basin modifications and deposition (Phase 1). Upon determination that the WRP application was complete, a notice of application was sent to project reviewers on November 1, 2021 and no comments were received. A site visit was conducted on September 14, 2021. USS Keetac submitted additional information related to groundwater sensitivity on December 1, 2021 to be incorporated into the WRP.</p> <p>DNR sent comments regarding the WRP application to USS Keetac on February 17, 2022, June 29, 2022, and September 23, 2022. USS Keetac responded to comments on February 24, 2022 and July 1, 2022. A revised version of the WRP application was submitted on February 24, 2022. A final version of the WRP application, including a revised groundwater sensitivity Appendix G (dated April 8, 2022), was submitted on July 1, 2022. The wetland delineation and incidental determination were separately approved by DNR on January 24, 2022.</p>
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Note that on September 8, 2022, DNR approved a modification of the Keetac Extension WRP. The decision reduced the mitigation requirement by 106.96 acres due to 1) incidental determination, 2) wetlands that were previously and separately approved for impact, and 3) changes in wetland delineation.

The Phase 1 WRP proposes 127.31 acres of impacts to WCA regulated wetlands in St. Louis and Itasca counties. These wetlands were previously used for mitigation. Note that the project proposes impact to 559.19 acres of incidental wetlands.

The Phase 1 project area is within the Mississippi River (Grand Rapids) major watershed (#9) and within wetland Bank Service Area (BSA) 5. The WRP noted a discrepancy in the mapping of the watershed within the northeast portion of the project area. DNR requested additional information and USS Keetac provided a Technical Memorandum dated April 7, 2022 and additional responses to DNR questions on April 29, 2022. The memorandum and additional information indicated that the actual watershed boundary is different from what was mapped and was confirmed by DNR. Thus, the watershed as depicted in Figure 8 of the WRP is verified.

USS Keetac submitted a groundwater sensitivity assessment on December 1, 2021 to determine if the proposed activities would have a significant adverse effect on groundwater quality. DNR provided comments on March 4, 2022, May 19, 2022, and September 23, 2022. Keetac provided responses on April 8, 2022. Based on assessment of the provided information, DNR determined that the proposed project would not have a significant adverse effect on groundwater quality.

Impacts for the Phase 1 project are located in the Mississippi River (Grand Rapids #9) Watershed, Bank Service Area 5 (BSA 5), in both Itasca and St. Louis Counties. Anticipated wetland impacts are 127.31 acres of wetland regulated under WCA. Proposed replacement is through surplus wetland credits at a 1:1 ratio at the previously approved project specific U. S. Steel Palisade mitigation site (with sufficient credits released March 14, 2014, February 26, 2020, and September 19, 2022), also located within the Mississippi River (Grand Rapids #9) Watershed in BSA 5. Note that discussion and accounting of anticipated credit release in the Phase 1 WRP is superseded by the September 19, 2022 credit release approval.

All documents are incorporated into this decision by reference.

DNR approves the WRP with conditions as follows:

1. Submit copies of final dam design plans (as required by the Dam Safety permit 2022-0721) and confirmation that wetland impacts are as approved in this decision to DNR prior to initiation of construction authorized in this decision. If it is determined that wetland impacts differ, a revised WRP will be required prior to disturbance of any affected wetlands.
2. As per May 26, 2022 email from NHIS Program, diversion berm construction (as depicted on figure 7b) can proceed in advance of the *Platanthera flava var. herbiola* survey as described in section 6.1 of the WRP. No additional disturbance beyond that (i.e., no slurry tailings deposition within the interior portion of the Stage 2 Exterior) is approved until a) the survey is complete, b) the survey is reviewed by DNR, c) the DNR confirms that no takings permit is needed or one is acquired, and d) a copy of the takings permit or documentation that a takings permit is not required is submitted to DNR.
3. Prior to construction beyond the current outer “footprint” of the tailings dams, submit to DNR for review and approval a wetland monitoring plan that includes monitoring of wetlands indicated as delineated on Figure 8 of the WRP and Figure 2 of the Technical Memorandum dated April 7, 2022 (“delineated wetlands” in red in both figures).
4. Prior to slurry tailings deposition within the interior portion of the Stage 2 Exterior basin used for operational-capacity reasons, DNR will need to review and approve a water quality and

quantity monitoring plan. Provide to DNR a monitoring plan intended to confirm conclusions in Appendix G regarding groundwater sensitivity and in preparation for future planned phases of basin modification plans or any further basin modification. The monitoring plan must include at least a) monitoring of wells MW1, MW11, and MW12, b) plans to develop a detailed water balance, c) plans to evaluate potential impacts to the Hay Creek watershed related to diversion of flow, and d) plans to develop water quality modeling and predictions, including uncertainty and sensitivity analyses. The monitoring plan from Condition #3 (above) may be incorporated at the discretion of USS Keetac.

For Replacement Plans using credits from the State Wetland Bank:

Bank Account #	Bank Service Area	County	Credits Approved for Withdrawal (sq. ft. or nearest 0.01 acre)

Replacement Plan Approval Conditions. In addition to any conditions specified by the Approving Authority, the approval of a Wetland Replacement Plan is conditional upon the following:

- Financial Assurance:** For project-specific replacement that is not in-advance, a financial assurance specified by the LGU must be submitted to the LGU in accordance with MN Rule 8420.0522, Subp. 9 (List amount and type in LGU Findings).
- Deed Recording:** For project-specific replacement, evidence must be provided to the LGU that the BWSR “Declaration of Restrictions and Covenants” and “Consent to Replacement Wetland” forms have been filed with the county recorder’s office in which the replacement wetland is located.
- Credit Withdrawal:** For replacement consisting of wetland bank credits, confirmation that BWSR has withdrawn the credits from the state wetland bank as specified in the approved replacement plan.

Wetlands may not be impacted until all applicable conditions have been met.

Approving Authority Authorized Signature:

Name Joseph Henderson	Title Director, DNR Division of Lands and Minerals	
Signature	Date September 28, 2022	Phone Number and E-mail 651/259-5428 joseph.henderson@state.mn.us

THIS DECISION ONLY APPLIES TO THE MINNESOTA WETLAND CONSERVATION ACT.

Additional approvals or permits from local, state, and federal agencies may be required. Check with all appropriate authorities before commencing work in or near wetlands.

Applicants proceed at their own risk if work authorized by this decision is started before the time period for appeal (30 days) has expired. If this decision is reversed or revised under appeal, the applicant may be responsible for restoring or replacing all wetland impacts.

3. APPEAL OF THIS DECISION

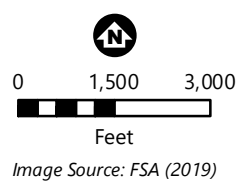
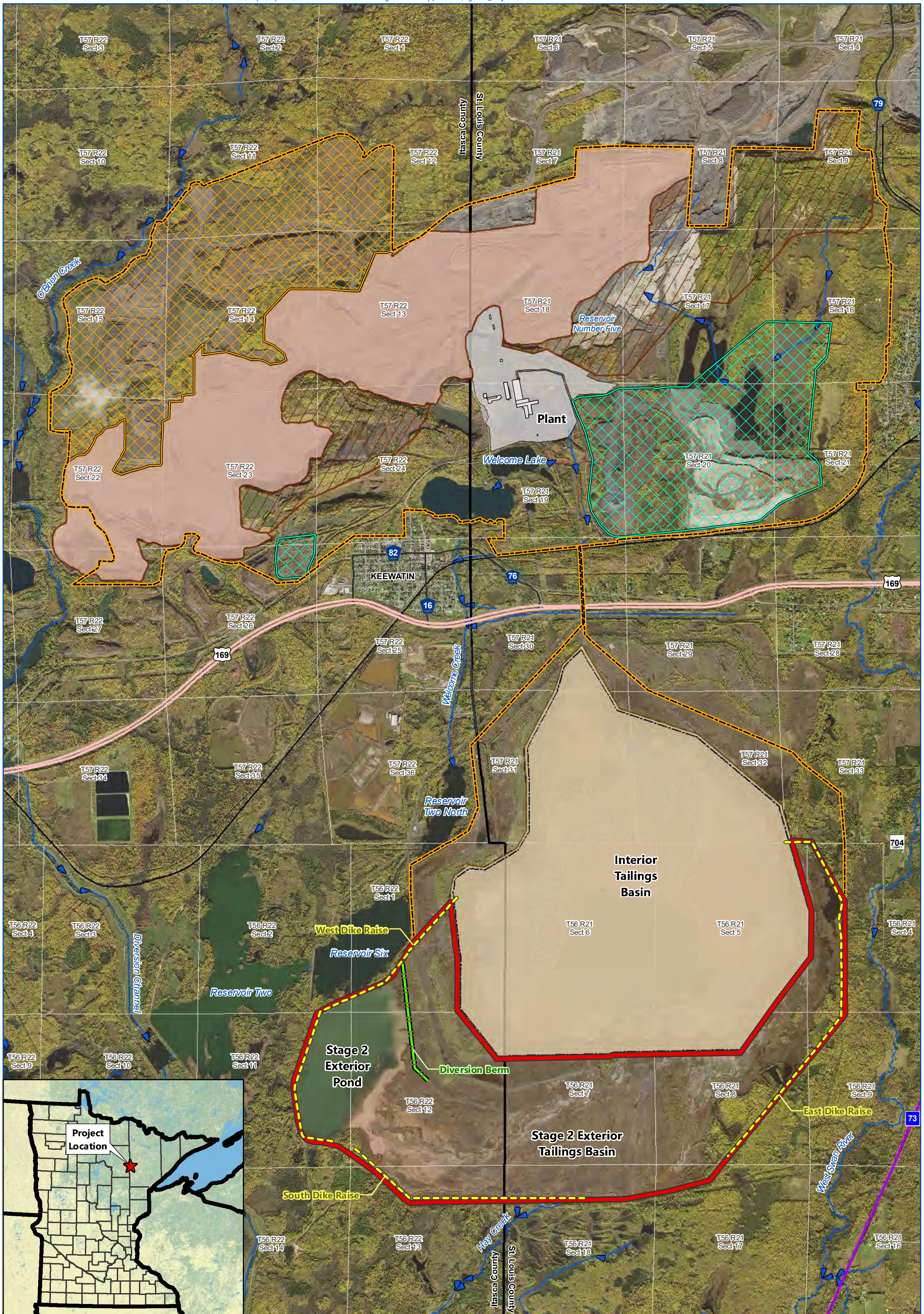
Pursuant to Minn. Stat., sec. 93.50, any person aggrieved by this decision may obtain judicial review under Minn. Stat. 14.63 to 14.69.

4. LIST OF ADDRESSEES

- SWCD TEP member: **Phil Norvitch (North St. Louis SWCD)**
Waylon Glienke (Itasca SWCD)
- BWSR TEP member: **David Demmer for St. Louis County**
Matt Johnson for Itasca County
- LGU TEP member (if different than LGU Contact):
- DNR TEP member: **Jeff Humphrey for St. Louis County**
Rian Reed for Itasca County
- DNR Regional Office: **Jessica Parsons**
- WD or WMO (if applicable):
- Applicant and Landowner: **U.S. Steel**
- Members of the public who requested notice:
Mark Lindhorst, St. Louis County
Leo Trunt, Itasca County
Pat Green, City of Hibbing
Ken Powell, BWSR
Anna Hotz, MPCA
Jen Oknich, MPCA
- Corps of Engineers Project Manager: **Kristoffer Laman**
- BWSR Wetland Bank Coordinator (wetland bank plan decisions only)

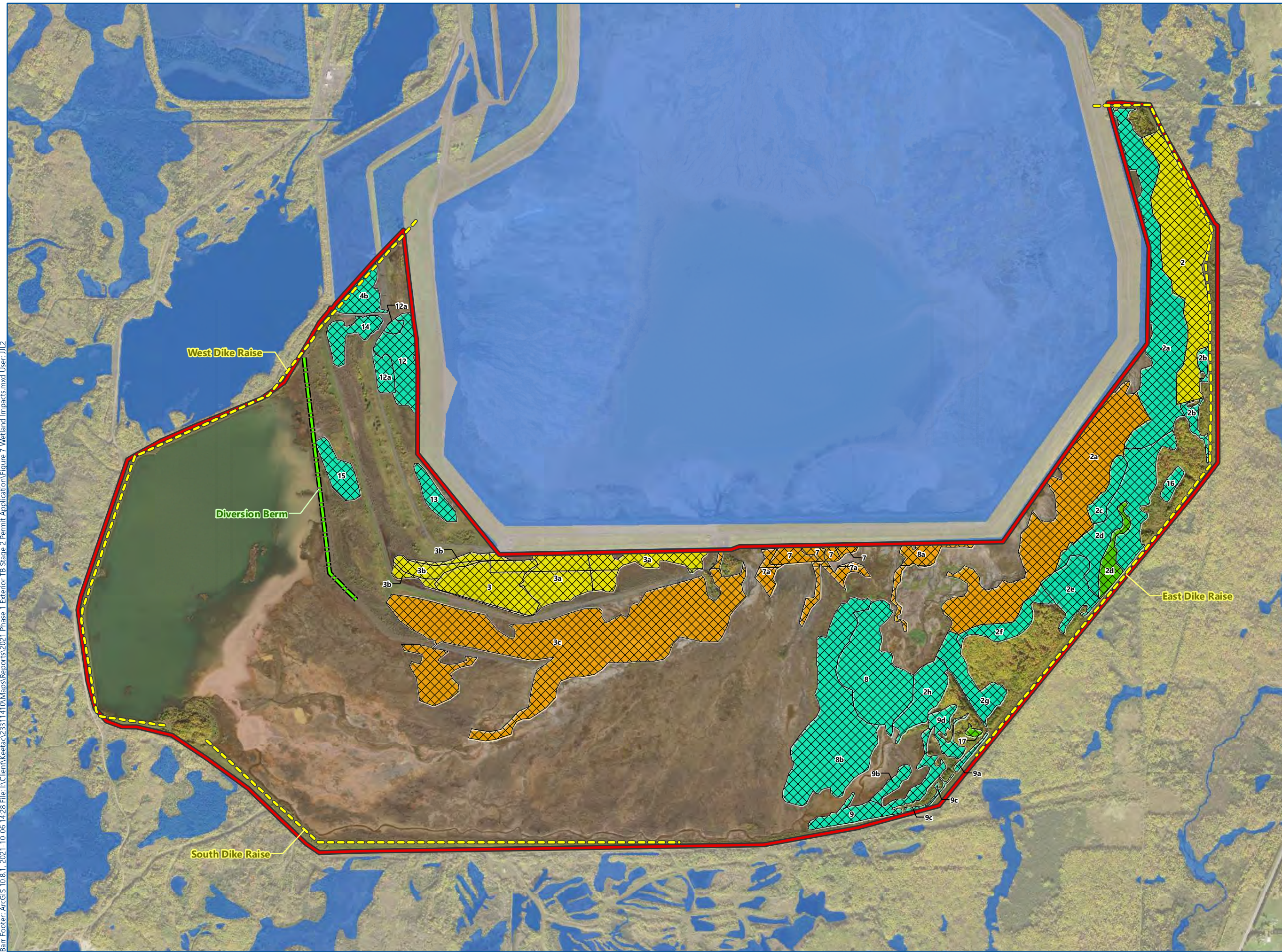
5. ATTACHMENTS

- In addition to the site locator map, list any other attachments:
- Table 1 and Figures 7a and 8 of the Phase 1 WRP**



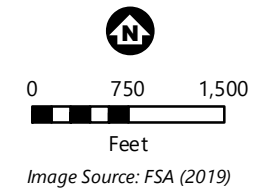
PROJECT LOCATION
Keetac Tailings Basin Management
U. S. Steel - Keetac

FIGURE 1

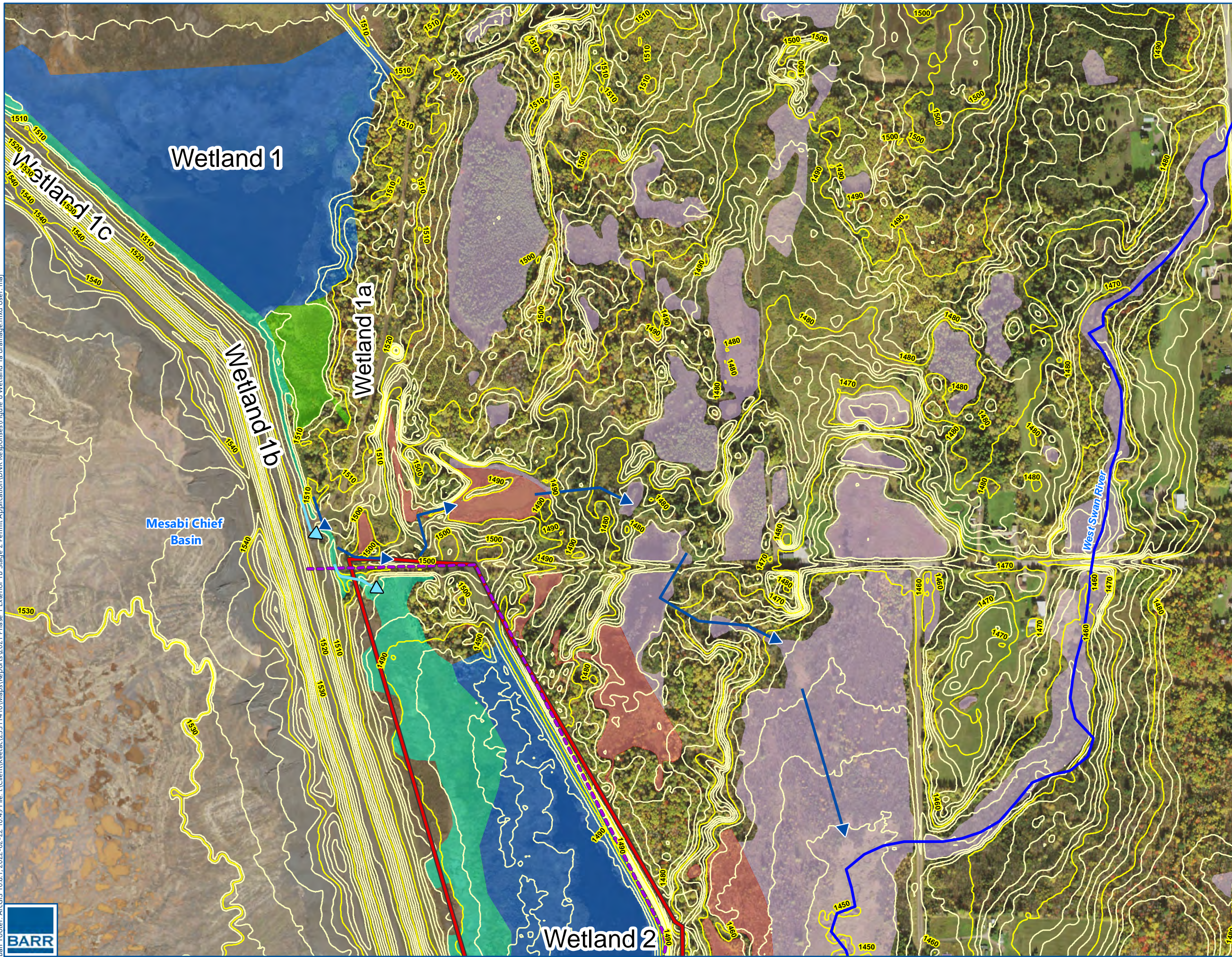


- Dike Raise
- Diversion Berm
- Expected Tailings Deposition Area
- NWI Wetland
- Wetland Impacts
- Delineated Wetlands (2021)**
- DNR Approved Incidental Wetland
- Presumed Incidental Wetland
- Mitigation Wetland
- Wetland

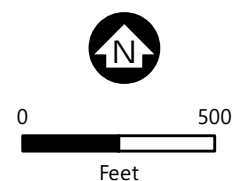
Wetland Status	Area (Acres)
DNR Approved Incidental Wetland	237.09
Presumed Incidental Wetland	322.10
Mitigation Wetland	120.00
Wetland	7.31



WETLAND IMPACTS (DNR)
7a - PROJECT AREA
 Keetac Tailings Basin Management
 U. S. Steel - Keetac
FIGURE 7a



- Existing Flow Direction
- Proposed Flow Direction
- Project Area
- Public Watercourse
- Project Features**
- Dike Raise
- LiDAR Topography**
- 10-ft contour
- 2-ft contour
- Delineated Wetlands
- National Wetland Inventory
- Wetland Jurisdiction**
- Incidental Wetland
- Mitigation Wetland
- Wetland



WETLAND 1 OUTLET/FLOW
Tailings Basin Project
U. S. Steel - Keetac

Figure 8

