

The audio recording for this meeting is available on the South Dakota Boards and Commissions Portal at <http://boardsandcommissions.sd.gov/Meetings.aspx?BoardID=67>

Minutes of the
Board of Minerals and Environment
Telephone Conference Call Meeting
523 East Capitol Avenue
Pierre, South Dakota

May 15, 2025
10:00 a.m. Central Time

CALL TO ORDER: The meeting was called to order by Vice Chairman Gregg Greenfield. The roll was called, and a quorum was present.

The meeting was streaming live on SD.net, a service of South Dakota Public Broadcasting.

BOARD MEMBERS PRESENT: Bob Ewing, Gregg Greenfield, Jessica Gruenwald, Gary Haag, Doyle Karpen, Rhett Miller, Bob Morris, and Laurie Schultz.

BOARD MEMBERS ABSENT: Glenn Blumhardt.

OTHERS PRESENT: Mike Lees, Roberta Hudson, Eric Holm, Bret Graves, DANR Minerals, Mining, and Superfund Program; Kyrik Rombough and Samantha Olmstead, DANR Air Quality Program; David McVey, Attorney General's Office; Mark Tieszen, Homestake Mining Company/Richmond Hill; Jasmine McCauley and Ken Nelson, Wharf Resources (USA), Inc.; Timm Comer, DTRC, LLC; and Jerry Aberle, Dakota Gold Corp.

APPROVE AGENDA: Motion by Ewing, seconded by Schultz, to approve the agenda. A roll call vote was taken, and the motion carried unanimously.

APPROVAL OF MINUTES FROM MARCH 20, 2025, MEETING: Motion by Miller, seconded by Morris, to approve the minutes from the March 20, 2025, Board of Minerals and Environment meeting. A roll call vote was taken, and the motion carried unanimously.

REQUEST PERMISSION TO ADVERTISE FOR PUBLIC HEARING TO CONSIDER AMENDMENTS TO ARSD 74:36 – AIR POLLUTION CONTROL PROGRAM: Samantha Olmstead provided an explanation of proposed amendments and requested permission to advertise for a public hearing to consider amendments to the Air Pollution Control Program rules. The department proposes holding the public hearing during the July 17, 2025, Board of Minerals and Environment meeting.

Motion by Karpen, seconded by Schultz, to grant permission to advertise for a public hearing to consider amendments to ARSD 74:36. A roll call vote was taken, and the motion carried unanimously.

REQUEST PERMISSION TO ADVERTISE FOR PUBLIC HEARING FOR CONSIDER AMENDMENTS TO ARSD 74:29 – MINED LAND RECLAMATION: Roberta Hudson provided an explanation of proposed amendments and requested permission to advertise for a public hearing to consider amendments to the Mined Land Reclamation rules. The department proposes holding the public hearing during the July 17, 2025, Board of Minerals and Environment meeting.

Motion by Ewing, seconded by Karpen, to grant permission to advertise for a public hearing to consider amendments to ARSD 74:29. A roll call vote was taken, and the motion carried unanimously.

MINING ISSUES CONSENT CALENDAR: Prior to the meeting the board received a copy of the consent calendar (see attachment).

Bret Graves with the Minerals, Mining, and Superfund Program was available for questions from the board. There were no questions.

Motion by Morris, seconded by Gruenwald, to approve the consent calendar, as presented. A roll call vote was taken, and the motion carried unanimously.

ACCEPTANCE OF FINANCIAL ASSURANCE INCREASE FOR WHARF RESOURCES (USA), INC., LARGE SCALE MINE PERMITS 356, 434, 435, 464, 476, AND 490: Eric Holm presented the board with an adjustment of the financial assurance amount for Wharf Resources. This financial assurance, also known as the cyanide spill bond, is required under SDCL 45-6B-20.1 and covers costs to the State for responding to, and remediating accidental releases of, cyanide and other leaching agents at the Wharf site. This financial assurance is in addition to Wharf Resources' \$73.92 million reclamation bond and \$65.10 million post closure bond.

The department adjusted the financial assurance for inflation and calculated a revised amount of \$840,000 which is an increase of \$14,300 from the 2024 update. The Construction Cost Index in the Engineering News Record was used to calculate the inflationary increase in the bond.

To cover the increase, Wharf has submitted a rider to the Siriuspoint America Insurance Company surety bond that currently serves as financial assurance, which increases the amount to \$840,000. Siriuspoint America Insurance is licensed in South Dakota and is on the US Department of Treasury list of approved surety companies. Ratings for the company from AM Best, Standard and Poor's, Moody's, and Fitch's are excellent, strong, upper medium grade, and high credit quality, respectively. Outlooks are stable except for positive outlooks from AM Best and Fitch.

The department recommended the board accept the rider to Bond No. SPA153047_002, Siriuspoint America Insurance Company, increasing the financial assurance bond from \$825,700 to \$840,000.

Board of Minerals and Environment
May 15, 2025, Meeting Minutes

Motion by Karpen, seconded by Miller, to accept the rider to Bond No. SPA153047_002, Siriuspoint America Insurance Company, increasing the financial assurance bond from \$825,700 to \$840,000. A roll call vote was taken, and the motion carried unanimously.

ORAL MINING REPORTS: The annual oral mining reports were presented to the board by representatives of the large-scale gold mining companies. The representatives reported on water treatment, production, and reclamation activities during 2024 and plans for 2025. The annual oral mining presentations are required by statute.

Mark Tieszen presented the annual reports for Homestake Mining Company's Mine Permits 332, 445, and 456.

Jasmine McCauley presented the annual report for Wharf Resources.

Timm Comer presented the annual report for DTRC, LLC.

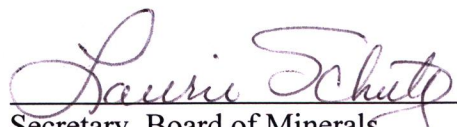
UPDATE ON BROHM EPA SUPERFUND SITE: Roberta Hudson, DANR Minerals, Mining, and Superfund Program, presented the annual update for the Brohm Superfund site and answered questions from the board.

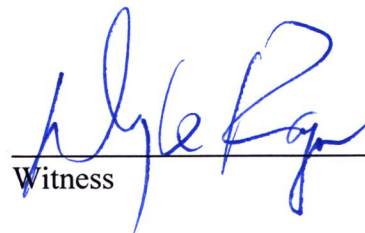
The slide presentations for the oral mining reports and Brohm EPA Superfund Site are available at <https://boardsandcommissions.sd.gov/Meetings.aspx?BoardID=67>.

PUBLIC COMMENT PERIOD IN ACCORDANCE WITH SDCL 1-25-1: There were no public comments.

UPCOMING BOARD MEETINGS: The board will meet in person July 17, 2025, at the Foss Building Matthew Training Center in Pierre, at the Capitol Lake Visitors Center in Pierre August 20 and 21, 2025, and in Deadwood September 17 and 18, 2025.

ADJOURN: Motion by Ewing, seconded by Karpen, to adjourn the meeting. The motion carried unanimously.


Secretary, Board of Minerals and Environment
Date 7/17/25


Witness Date

Consent Calendar
South Dakota Board of Minerals and Environment

May 15, 2025

<u>License Holder</u>	<u>License No.</u>	<u>Site No.</u>	<u>Surety Amount</u>	<u>Surety Company or Bank</u>	<u>DANR Recommendation</u>
<u>Transfer of Liability:</u>					
Quality Real Estate, Inc. Oral, SD	91-421		\$20,000	American Contractors Indemnity Company	Partial Transfer of Liability
		421011	Section 9 & Section 16; T8S-R6E, Fall River County		
Transfer to:					
Croell, Inc. Sundance, WY	96-604		\$20,000	North American Specialty Insurance Company	
<u>Release of Liability:</u>					
Fisher Sand & Gravel Co. Dickenson, ND	83-54		\$20,000	Liberty Mutual Insurance Company	Release Liability
		54127	NE1/4 Section 31; T41N-R43W, Oglala Lakota County		
Marshall County Highway Dept. Britton, SD	83-26		Exempt	N/A	Release Liability
		26003	NW1/4 Section 33; T126N-57W, Marshall County		
R & J Gravel & Trucking Chamberlain, SD	07-841		\$20,000	Sun Surety Insurance Company	Release Liability
		841004	NW1/4 Section 8; T105N-R66W, Aurora County		

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<u>Permit Holder</u>	<u>Permit No.</u>	<u>Surety Amount</u>	<u>Surety Company or Bank</u>	<u>DANR Recommendation</u>
<u>Acceptance of Financial Assurance for Wharf Resources (USA), Inc.:</u>				
Wharf Resources (USA), Inc. Lead, SD	356, 434, 435, 464, 476, & 490	\$825,700	Siriuspoint America Insurance Company	Accept rider to Bond No. SPA150347_002, Siriuspoint America Insurance Company, increasing the Financial Assurance amount to \$840,000.