

1 **RESOLUTION # 85-2011**

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3 Resolution offered by Mining Oversight and Local Impact Committee.

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5 **Resolved by the Board of Supervisors of Oneida County, Wisconsin:**

6
7 **WHEREAS**, the Mining Oversight and Local Impact Committee ("MOLIC") is currently
8 revising and updating the mining agreements for Oneida County; and

9 **WHEREAS**, as part of the revision of the mining agreements MOLIC has also reviewed
10 the Oneida County Metallic Ore Prospecting and Mining Policy ("Mining Policy"), also known as
11 Resolution #54-87; and

12 **WHEREAS**, the Mining Policy is unclear as to whether the mining agreements may
13 contain advance royalty provisions; and

14 **WHEREAS**, after careful consideration by MOLIC it has been determined that the
15 Oneida County Mining Policy should be amended to expressly allow for advance royalty
16 payments to be made part of the mining agreements (see the attached Policy for the changes);
17 and

18 **WHEREAS**, MOLIC believes that having the express authority to accept advance royalty
19 payments will aid in formulating the best financial situation for the Oneida County citizens as
20 MOLIC develops the mining agreements.

21 **NOW, THEREFORE, BE IT RESOLVED**, that the Oneida County Board of Supervisors
22 does hereby amend the Mining Policy (consistent with the attached Mining Policy) to allow for
23 the advance royalty payments.

24
25 Vote Required: Majority = _____ 2/3 Majority = _____ 3/4 Majority = _____

26
27 The County Board has the legal authority to adopt: Yes _____ No _____ as reviewed
28 by the Corporation Counsel, _____, Date:
29 _____

30
31 Approved by the Mining Oversight and Local Impact Committee this 9th day of November,
32 2011.

33
34 Offered and passage moved by: _____
35 Supervisor
36 _____
37 Supervisor
38 _____
39 Supervisor
40 _____
41 Supervisor
42 _____
43 Supervisor

44 _____ Ayes
45 _____ Nays
46 _____ Absent
47 _____ Abstain
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_____ Adopted

by the County Board of Supervisors this _____ day _____, 2011.

_____ Defeated

Mary Bartelt, County Clerk

Ted Cushing, County Board Chair

**ONEIDA COUNTY METALLIC ORE PROSPECTING
AND MINING POLICY**

It is the policy of the Oneida County Forestry & Outdoor Recreation Committee to enter into mineral prospecting and mining leases for lands in the County forest. This will be done in a competitive bid system with one mile square blocks (sections) being the size areas used for nominations and bidding. Some areas will not be offered for mining leases such as recreational areas, sensitive lands, historical sites, etc. The Committee will hold informational meetings prior to entering into any mining agreements to assess public reaction. The County will use the royalty payment as the bid variable and the acreage payment will be fixed. This will share the risk with the mineral company and give the County the highest income from the mine if a mineable deposit is found. A royalty payment consisting of net smelter return plus net proceeds will be used in an effort to allow even low grade ore to be mined, thereby attempting to fully utilize the resource and extend the life of the mine. ~~Acreage rental and bonus money will not be accepted as advance royalty payments.~~ The County is authorized to accept advance royalty payments as part of the mining agreements. These advance royalty payments are exclusive of the acreage rental payments.

Since the mineral deposit is a non-renewable resource, portions of the income will be put in a trust fund or other use that will benefit future generations.

Based on attorney general opinions which support County ownership of mineral rights and due to lack of evidence that other mineral rights claimants exist, the County will lease the mineral rights confident that severed mineral rights, even if they should exist, can be dealt with through lease wording which would place the burden of dealing with these claimants with the mining company.

Any lease the County would enter into would prevent the mining of uranium or other fissionable metals. A mining lease would exclude sand, gravel, gas and oil. These resources would be dealt with separately.

Since environmental protection is a Department of Natural Resources responsibility, the County will work closely with that agency and the mining company to see that all guide lines and laws are adhered to. If strip mining can be done along with a mining company financed program of reforestation and revegetation to prevent erosion and other adverse environmental damage, then it should be allowed.