

Sand and Gravel Development Policy

Agricultural Crown Land

June 2021

A. Overview of Policy Objectives

The Sand and Gravel Development Policy establishes the priority rights that Ministry of Highways and Infrastructure and rural municipalities (RMs) are given to explore for and develop sand and gravel deposits underlying agricultural Crown lands. Commercial and private development of sand and gravel is accommodated when Ministry of Highways and Infrastructure and RMs have declined their respective priority rights to utilize the deposits.

Proposals to develop deposits will take into account environmental or other unique conditions pertaining to the site. The Ministry of Agriculture requires development plans which includes how surface soil will be removed, details on the quarrying operations, and plans for reclamation.

The policy encourages the commercial development of sand and gravel on an as needed basis including requirements for the ongoing use of the quarry area.

The policy stipulates the record keeping and reporting requirements of lessees.

All applicable fees associated with sand and gravel development are listed in the table at the end of this policy.

B. Eligibility

Individuals, partnerships, corporations, municipalities or agencies who wish to conduct exploration activities for sand and gravel deposits on Crown land or who wish to develop sand and gravel deposits for private, commercial or public purposes are eligible to apply for exploration permits and sand and gravel development leases.

Applicants must have all accounts with the Ministry in acceptable standing before a permit or lease is issued and must have complied with the terms and conditions of previous permits and leases in order to be eligible for an agreement.

C. Procedures and Charges for Exploration Permits

1. An application for a sand and gravel lease will contain a full description of the proposal including the legal description of the lands involved; the scope of the operation and a reclamation plan for the land disturbed by the exploration.
 - A permit is not required for the Ministry of Highways' electromagnetic testing, but does not preclude any other approvals that may be compulsory.
 - Confirmation of lessee consent remains a condition of approval.

- Approval is for electromagnetic testing only, if ground disturbance of any kind is to occur, a permit or additional approvals may be required.
2. The applicant is required to obtain the consent and conditions of entry from the agricultural lessee of the land, if the land is subject to an agricultural lease. Conditions of entry should include location of any roadways, fencing and gates. The applicant is responsible for directly negotiating compensation for any damages directly with the agricultural lessee.
 3. Ministry of Highways and Infrastructure and the RM in which sand and gravel deposits are found have the first right to those deposits for their purposes. Ministry of Highways and Infrastructure and the RM are allowed to exercise their rights of first refusal on the area covered by the proposed exploration permit.
 4. An RM may apply for any number of exploration permits on its own, subject only to the priority of Ministry of Highways and Infrastructure.
 5. Exploration permits expire 365 days after issuance.
 6. The land subject to the application must be in one contiguous parcel. An exploration permit may be issued for a minimum of one legal subdivision or one river lot up to a maximum of 2,500 acres.
 7. Following completion of exploration operations, the permittee is required to provide a report that discloses the results of the exploration. The permittee must recondition the affected area as described in the reclamation plan to the satisfaction of the Ministry.

D. Procedures and Charges for Sand and Gravel Development Leases

1. An application for a sand and gravel development lease will contain a full description of the proposal including the legal description of the lands involved; the scope of the operation and a reclamation plan for the land disturbed by the exploration.
2. The applicant is required to obtain the consent and conditions of entry from the agricultural lessee of the land. Conditions of entry should include location of any roadways, fencing and gates. The applicant is responsible for directly negotiating compensation for any damages with the agricultural lessee.
3. Ministry of Highways and Infrastructure and the RM, in which sand and gravel deposits are found, respectively, have a priority for the deposits for public use. Ministry of Highways and Infrastructure and the RMs are allowed to exercise their priority on the area covered by the proposed lease if an applicant for a sand and gravel development lease does not hold an exploration permit on the applicable lands. Should an RM exercise their right under this policy, the land must be included in a lease in its name.

4. Where an RM obtains a sand and gravel development lease through their right of first refusal, the lease will contain a clause stipulating that the lessee shall use any sand and gravel removed from the lands only for the construction or maintenance of public roads within the lessee's RM. The lessee shall not, without written consent of the minister, sell any of the sand and gravel, permit the removal of any sand and gravel from the lands by a third party, or otherwise use the sand and gravel for commercial purposes.
5. All sand and gravel development lease applications are referred to Ministry of Environment for a review of environmental concerns. The Ministry of Energy and Resources may also review applications to determine any possible impact on other quarrying or mining leases in the area (i.e. gold and uranium). The RM may review the application for road issues associated with hauling of sand and gravel on municipal roads.
6. Clauses that address environmental and other concerns relating to the operation or reclamation of the lease may be added to the sand and gravel development lease document. These clauses are binding on the sand and gravel development lessee.
7. A sand and gravel development lease conveys only the future rights to develop sand and gravel deposits contained in the leased area. The lease does not convey any rights to the surface of the leased area or associated access.
8. A sand and gravel development lease may be issued without an exploration permit having been issued related to the sand and gravel deposits. However, an exploration permit will be issued concurrent with the issuance of the lease. There are no fees relating to the issuance of the exploration permit in this case.
9. No person, partnership, corporation, co-operative or municipality may have more than 1,280 acres under sand and gravel development leases at any one time.
10. A sand and gravel development lease must be a contiguous parcel. A separate lease will be used for each contiguous parcel.

E. Removing Sand and Gravel from a Lease

1. In order to conduct quarrying operations after a sand and gravel development lease is issued, the lessee must obtain a removal authorization. The request for a removal authorization will include the following:
 - An acceptable engineer's plan, survey plan or plan which shows the area on which quarrying operations will take place including the access route to the site.
 - A copy of a letter of agreement with the agricultural lessee.
 - A detailed reclamation plan accompanied by a restoration deposit of cash, letter of credit or bond in the amount of \$2,500 for the first five acres and \$500 for each additional acre (prorated); example: 6.2 acres = \$3,100 calculated as follows

$[\$2,500 + (1.2 * \$500)] = \$3,100$. Performance bonds need to continue six months beyond the termination of the lease to allow a discovery period by the Ministry. The bond is to be renewed 30 calendar days before expiry of the existing bond.

- Ministry of Highways and Infrastructure is not required to post a reclamation deposit. Cities, towns, villages, hamlets, RMs and First Nations bands may provide an irrevocable letter of undertaking to reclaim the site to a condition satisfactory to the Ministry, in lieu of a reclamation deposit.

F. Reporting Requirements and General Conditions

1. Within 30 days of the end of the calendar year, the holder of a sand and gravel development lease is required to file a **Sand and Gravel Quarrying Production and Royalty Return Form** which details the amount of material removed from the lease and the amounts of applicable royalty. Royalties are due on all materials removed and used for commercial or private purposes.
2. Records of all sand and gravel taken from the quarry must be available to the Ministry on request. The records are to include the quantity, weight and other particulars of the sand or gravel, including the value and whether or not the sand or gravel was sold or used for a public, commercial or private purpose.
3. Sand and gravel development leases will normally be issued for a term of five years. Ministry of Highways and Infrastructure and Rural Municipalities may receive leases with a term of up to 21 years.
4. Sand and gravel development leases are assignable only with the consent of the Ministry. Any assignment granted by the Ministry will clearly detail the responsibilities of the assignee for the continuing operation of the lease and the reclamation requirements.
5. Sand and gravel development leases are not saleable.
6. Sand and gravel development lessees are required to make use of the quarry within one year of the issuance of a lease.

G. Procedures for Quarrying Road Construction Material (borrow pit for clay)

1. A road construction material permit will be issued on receipt of an application that includes the legal description of the lands, an acceptable site plan of the location and a reclamation plan.
2. Consent of the agricultural lessee must be obtained. The applicant is responsible for negotiating compensation for actual damages with the agricultural lessee. Conditions such as the location of the quarry, and fencing or gate requirements should all be part of the consent.

3. Road construction material permits will expire 365 days after issuance.
4. Following completion of the removal operations, the permittee is required to:
 - Submit a plan of the disturbed area;
 - Submit a road construction material withdrawal fee as defined in item 7 of the table at the end of this policy; and
 - Recondition the affected area to the satisfaction of the Ministry.

Visit saskatchewan.ca/crownlands for more information or to contact your local regional office.

Sand and Gravel Development, Construction Material and Exploration Fees

Item	Description	Fee - general	Fee- if lessee a ministry of the Crown	Fee- if lessee a municipality
1	Annual fee for sand and gravel development licence	\$2 per acre (0.405 hectare)	No charge	\$2 per acre (0.405 hectare)
2	Annual rent for sand and gravel development lease	\$10 per acre (0.405 hectare)	No charge	\$10 per acre (0.405 hectare)
3	Fee associated with sand and gravel development lease (occupied land)	\$200, plus \$200 per acre (0.405 hectare) for the first 10 acres (4.05 hectares), and \$170 per acre (0.405 hectare) for each additional acre (0.405 hectare) after the first 10 acres(4.05 hectares)	\$200, plus \$50 per acre (0.405 hectare) for the first 10 acres (4.05 hectares), and \$20 per acre (0.405 hectare) for each additional acre (0.405 hectare) after the first 10 acres	\$200, plus \$200 per acre (0.405 hectare) for the first 10 acres (4.05 hectares), and \$170 per acre (0.405 hectare) for each additional acre (0.405 hectare) after the first 10 acres(4.05 hectares)
4	Fee associated with sand and gravel development lease (vacant land)	\$150 per acre (0.405 hectare) for the first 10 acres (4.05 hectares), and \$20 per acre (0.405 hectare) for each additional acre (0.405 hectare) after the first 10 acres (4.05 hectares)	No charge	\$150 per acre (0.405 hectare) for the first 10 acres (4.05 hectares), and \$20 per acre (0.405 hectare) for each additional acre (0.405 hectare) after the first 10 acres (4.05 hectares)
5	Royalty for sand and gravel removed if sand and gravel used by lessee	\$0.20 per cubic metre	No charge	No charge

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Sand and Gravel Development, Construction Material and Exploration Fees

Item	Description	Fee – general	Fee – if lessee ministry of the Crown	Fee – if lessee a municipality
6	Royalty for sand and gravel removed if sand and gravel sold or otherwise used by another person	\$0.20 per cubic metre	\$0.20 per cubic metre	\$0.20 per cubic metre
7	Construction material withdrawal fee	\$150, plus \$150 per acre (0.405 hectare) of land disturbed	No charge	\$150, plus \$150 per acre (0.405 hectare of land disturbed)
8	Test Holes			
	(a) Created by backhoe or auger	\$5 per excavation	No charge	\$5 per excavation
	(b) created by dragline	\$10 per excavation	No charge	\$10 per excavation
9	Exploration licence land access fee	\$0.50 per acre (0.405 per hectare)	No charge	\$0.50 per acre (0.405 per hectare)