



Building a Future in Michigan: USG Alabaster

Frequently Asked Questions

What is happening?

USG proposes to purchase 580 acres of land, with mineral rights, adjacent to our existing gypsum quarry in Alabaster Township, Michigan.

Who is USG?

USG is the parent company of United States Gypsum Company, one of Michigan's oldest manufacturers. Founded in 1902, we've grown into an international company, with 6,800 employees across North America and operations around the world. Today, we are an industry-leading manufacturer of building products and innovative solutions. One of our most well-known products is Sheetrock® drywall, which celebrated its 100th anniversary in 2017. Many of our products are made with gypsum.

What is gypsum?

Gypsum is a calcium-based mineral (calcium sulfate dihydrate, or $\text{CaSO}_4 \cdot 2\text{H}_2\text{O}$) used in a wide variety of applications, from animal feed supplements and soil amendments to building products and cement.

Having a reliable, steady supply of gypsum is important to dozens of industries and hundreds of companies USG serves in Michigan.

Where is this expansion planned?

The agreement involves property immediately adjacent to the western boundary of USG's existing Alabaster quarry, south of Tawas.

What is currently on the property now?

The property has no dedicated trails, parks or infrastructure on it, and is used mostly by local hunters. The Department of Natural Resources cleared timber on from it last year.

Is this mining? How is the gypsum removed?

This is an open quarry, similar to sand and gravel operations. The top soil layers are cleared to expose the gypsum rock. Then, it's removed in layers, with the same type machinery used to remove old layers of asphalt before resurfacing roads.

How is the gypsum shipped? Where does it go?

When gypsum is removed from the ground, it is screened and sorted for size and quality. Then it is shipped by truck to customers in Michigan, Ohio, Indiana, Wisconsin, and Canada. In addition, other USG plants in the U.S. and Canada use Alabaster's gypsum.

Will this process harm the environment?

No. Gypsum is a very safe mineral, and its removal is a mechanical process that does not use chemicals or create pollution. USG upholds very high standards for its quarry operations.

It's common for quarries to collect rain and surface water. That water is pumped out of the quarry and passes through a series of lakes and wetlands before reaching Lake Huron. USG closely monitors the quantity and quality of water and regularly reports that data to the State of Michigan. We also monitor dust created by the quarry when conditions are dry, and takes steps to suppress the dust.

What happens when the operation is done?

We have completed and closed several areas of our Alabaster quarry in the past, and we would follow the same process for this expansion. This is called reclamation, and the quarry areas are backfilled with dirt and replanted to create wetlands, lakes, prairies and forests. Pilot Lake, on our property, was created from a closed and reclaimed portion of our quarry.

This work is done according to township ordinances and environmental permits. We have a 116-year track record of careful reclamation in Alabaster, and you can see visible proof of our commitment on our property.

Why is this proposal coming up now?

USG is planning ahead. This agreement will keep the Alabaster operation supplying Michigan businesses and industries for decades to come.

What will USG do without this additional land?

When the current supply of gypsum in our quarry is depleted, we would be forced to open a new quarry, in Michigan or elsewhere. This could impact industries throughout the state, since many manufacturers and employers rely on Alabaster gypsum. In addition, gypsum's value is place-based, which means the further it must be transported for use, the more its value declines. Expanding the existing operation not only means keeping a reliable supply chain operating, it also preserves jobs in the region.

What will it cost?

The price for the land and mineral rights is negotiated with the Michigan Department of Natural Resources, Michigan's land managers. The price is a fair market value, meaning USG will pay what anyone else would pay to purchase the land. USG will also pay property taxes on the land in the future.

Why should the community support this proposal?

- It keeps a historic Michigan company working in Michigan.
- It maintains Michigan's supply of gypsum, a key building block for our economy.
- It keeps a quarry operation where one already exists.
- It puts nearly 600 acres of land back on regular tax rolls.
- It supports the DNR's conservation projects in the region.
- It supports the local, regional and state economy.

What is the state's process for considering this proposal?

The Michigan Department of Natural Resources has already performed a comprehensive review of the property, considering both environmental and social concerns. The Department will host a public meeting to gather public input in July. In late summer, the DNR Director will make a recommendation to the DNR's Natural Resources Commission about whether the purchase should be approved. The Natural Resources Commission will make a final decision after that.

How do I learn more about this proposal?

Visit www.USGAlabaster.com to learn more about the project, ask questions or submit a letter of support. The Michigan DNR web site also has a page about the Alabaster project, and a link is available on the project website.