

STATE OF COLORADO

John W. Hickenlooper, Governor
Larry Wolk, MD, MSPH
Executive Director and Chief Medical Officer

Dedicated to protecting and improving the health and environment of the people of Colorado

4300 Cherry Creek Dr. S.
Denver, Colorado 80246-1530
Phone (303) 692-2000
Located in Glendale, Colorado
www.colorado.gov/cdphe



Colorado Department
of Public Health
and Environment

November 12, 2013

CERTIFIED NO: 7007-0220-0001-0148-3447

Mark A. Steen
Gold Hill Mines, Inc.
957 Reynolds Farm Lane
Longmont, CO 80503

Re: Reapplication Requirements: Stormwater Discharges Associated with Metal Mining Operations and
Mine-Waste Remediation
Gold Hill Mines, Inc. — Cash & Who Do Mines
Boulder County

Dear Mr. Steen:

The Water Quality Control Division (the Division) recently terminated stormwater discharge permit certification COR040225 for the Cash & Who Do Mines facility. An annual invoice was issued for the facility in September 2013 – the invoice was addressed to the permittee contact listed in the Division's records. The invoice was returned as undeliverable and subsequent due diligence performed by the Division to identify the appropriate permittee contact was unsuccessful. The Division's protocol when an owner or operator of a facility cannot be identified is to terminate permit coverage. For your information, the permittee contact the Division has in its database for this facility is as follows:

AGC Resources LLC
Mark Nesbitt
1700 Lincoln St., Suite 2222
Denver, CO 80203

The Division has since determined that Gold Hill Mines, Inc. owns the Cash & Who Do Mines facility; therefore, the purpose of this correspondence is to provide Gold Hill Mines, Inc. with the Division's basis for requiring stormwater discharge permit coverage, and direction for **reapplying** for coverage under the *CDPS General Permit for Stormwater Discharges Associated with Metal Mining Operations and Mine-Waste Remediation*. The Division apologizes for the inconvenience of having to reapply for permit coverage.

In 1987, the US Congress amended the Clean Water Act to expressly include stormwater discharges from industrial and construction sites as requiring Clean Water Act controls. In 1990, EPA issued regulations that require specific industrial and construction activities to obtain permits in order to discharge stormwater from their facilities. The Water Quality Control Division of the Colorado Department of Public Health and Environment has direction and authority to administer stormwater permitting in Colorado through the Colorado Water Quality Control Act, and its implementing regulations and permits.

In accordance with the Colorado Water Quality Control Act and 5 CCR 1002-61 (Regulation No. 61 - Colorado Discharge Permit System [CDPS] Regulations), facilities classified as Standard Industrial Classifications 10 through 14 (mineral industry), **including active or inactive metal mining operations**, as their primary industrial activity are required to obtain permit coverage for discharges of stormwater associated with industrial activities from the facilities to state waters. The primary industrial activity includes any activities performed on-site that are identified by the facility's primary SIC code. If the facility conducts activities covered by more than one SIC code, the Division recommends that the primary industrial activity determination is based on the value of receipts or revenues or, if such information is not

available for a particular facility, the number of employees or production rate for each process may be compared. The operation that generates the most revenue or employs the most personnel is the facility's primary industrial activity.

The stormwater discharge permit applicable to active and inactive metal mining facilities is the *CDPS General Permit for Stormwater Discharges Associated with Metal Mining Operations and Mine-Waste Remediation* (COR040000), which is currently administratively continued. A copy of the permit application form is enclosed with this correspondence. This form is also available on the web at: www.coloradowaterpermits.com, under the Commerce and Industry Permitting link. Because the permit application requires that applicants prepare a Stormwater Management Plan (SWMP), a guidance document on preparing a SWMP is also enclosed.

Permit COR040000 requires that an applicant submit a complete, accurate, and signed permit application to the Division at least **30 days** before the facility commences industrial activity that may result in a discharge of stormwater associated with that industrial activity. Since activities are ongoing at the Cash & Who Do Mines facility, the application should be returned to Colorado Department of Public Health and Environment, WQCD-P-B2, 4300 Cherry Creek Drive South, Denver, CO 80246-1530, Attn: Kathy Rosow by **November 27, 2013**.

If Gold Hill Mines, Inc. fails to obtain required stormwater discharge permit coverage and discharges stormwater from the site once industrial activity has started, it is in violation of the Clean Water Act and may be subject to enforcement action by the Division. The Clean Water Act authorizes both civil and criminal penalties for willful non-compliance.

This Compliance Advisory is intended to advise Gold Hill Mines, Inc. of alleged violations of the Colorado Water Quality Control Act, its implementing regulations and permits so that appropriate steps can be taken to avoid or mitigate formal enforcement action or to correct our records (if applicable). This Compliance Advisory does not constitute a Notice of Violation or Cease and Desist Order and is not subject to appeal. The issuance of this Compliance Advisory does not limit or preclude the Division from pursuing its enforcement options concerning the above violation(s). The Division will evaluate the facts associated with the above-described violation(s) and if a formal enforcement action is deemed necessary, Gold Hill Mines, Inc. may be issued a Notice of Violation / Cease and Desist Order that may include the assessment of penalties.

If you have any questions, please call me at (303) 692-3521.

Sincerely,

Kathleen Rosow
Environmental Protection Specialist
Permits Section
WATER QUALITY CONTROL DIVISION

Enclosures (Application and SWMP guidance)
File Copy (T file: **T-14-001**)