

STATE OF COLORADO

DIVISION OF RECLAMATION, MINING AND SAFETY

Department of Natural Resources

1313 Sherman St., Room 215

Denver, Colorado 80203

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John W. Hickenlooper
Governor

Mike King
Executive Director

Loretta E. Piñeda
Director

March 28, 2014

Mr. Alton Hess
Sunnyside Gravel & Excavation
9983 Hwy 550
Durango, CO 81303

Re: Hess Pit, Permit No. M-1986-033, Financial Warranty Increase, Revision No. SI-2

Dear Mr. Hess:

On March 28, 2014 the Division of Reclamation, Mining and Safety increased the current Financial Warranty for this permit to \$34,641.06, in accordance with Rule 4.2.1 of the Rules and Regulations. This is an increase of \$24,032.06.

The Division ordered amendment of the current Financial Warranty, or submittal of a new Financial Warranty reflecting the increase, within 60 days from the date of this letter. If you wish to submit a different type of Financial Warranty, please contact me such that I may send you the applicable form.

If you have any questions, please contact me at (970) 259-5861.

Sincerely,

Kate A. Pickford
Environmental Protection Specialist

Enclosure:
Cost Summary Work

COST SUMMARY WORK

Task description: 2014 Inspection

Site: Hess Pit

Permit Action: 2014 Inspection

Permit/Job#: M1986033

PROJECT IDENTIFICATION

Task #: 000

State: Colorado

Abbreviation: None

Date: 3/27/2014

County: La Plata

Filename: M033-000

User: KAP

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
001	Grade upper and lower highwalls	DOZER	1	87.09	\$17,254.73
002	Spread topsoil	DOZER	1	14.32	\$2,838.02
003	Removed debris	DEMOLISH	1	3.00	\$1,382.79
004	Revegetation	REVEGE	1	5.00	\$3,408.60
005	Mobilize	MOBILIZE	1	3.73	\$1,410.37
<u>SUBTOTALS:</u>				113.14	\$26,294.51

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance: 0.00%

Total = \$0.00

Performance bond: 0.00%

Total = \$0.00

Job superintendent: 79.76 hrs

Total = \$5,217.10

Profit: 10.00%

Total = \$2,629.45

TOTAL O & P = \$7,846.55

CONTRACT AMOUNT (direct + O & P) = \$34,141.06

LEGAL - ENGINEERING - PROJECT MANAGEMENT:

Financial warranty processing (legal/related costs): 500.00

Total = 500.00

Engineering work and/or contract/bid preparation: 0.00%

Total = \$0.00

Reclamation management and/or administration: 0.00%

\$0.00

CONTINGENCY: 0.00

Total = \$0.00

TOTAL INDIRECT COST = \$8,346.55

TOTAL BOND AMOUNT (direct + indirect) = \$34,641.06

BULLDOZER WORKTask description: Grade upper and lower highwallsSite: Hess PitPermit Action: 2014 InspectionPermit/Job#: M1986033PROJECT IDENTIFICATIONTask #: 001State: ColoradoAbbreviation: NoneDate: 3/27/2014County: La PlataFilename: M033-001User: KAPAgency or organization name: DRMSHOURLY EQUIPMENT COSTBasic Machine: Cat D8T - 8SUHorsepower: 310Blade Type: Semi-UniversalAttachment: NAShift Basis: 1 per dayData Source: (CRG)Cost Breakdown:

		<u>Utilization %</u>
Ownership Cost/Hour:	\$56.69	NA
Operating Cost/Hour:	\$104.03	100
Ripper op. Cost/Hour:	\$0.00	0
Operator Cost/Hour:	\$37.41	NA

Total unit Cost/Hour: \$198.13Total Fleet Cost/Hour: \$198.13MATERIAL QUANTITIESInitial Volume: 13,050Swell factor: 1.330Loose volume: 17,357 LCYSource of estimated volume: Division of Reclamation, Mining & SafetySource of estimated swell factor: Cat HandbookHOURLY PRODUCTIONAverage push distance: 80 feetUnadjusted hourly production: 984.2 LCY/hrMaterials consistency description: Compacted fill or embankment 0.9Average push gradient: 25 %Average site altitude: 6,600 feetMaterial weight: 2,900 lbs/LCYWeight description: Decomposed rock - 50% Rock, 50% EarthJob Condition Correction Factor

		<u>Source</u>
Operator Skill:	0.750	(AVG.)
Material consistency:	0.900	(CAT HB))
Dozing method:	1.200	(SLOT)

Visibility:	1.000	(AVG.)
Job efficiency:	0.830	(1 SHIFT/DAY)
Spoil pile:	0.900	(SSD-FC)
Push gradient:	0.422	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	0.793	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.2025

Adjusted unit production: 199.30 LCY/hr

Adjusted fleet production: 199.3 LCY/hr

JOB TIME AND COST

Fleet size: 1 Dozer(s)
 Unit cost: \$0.994/LCY

Total job time: 87.09 Hours
 Total job cost: \$17,254.73

BULLDOZER WORKTask description: Spread topsoilSite: Hess PitPermit Action: 2014 InspectionPermit/Job#: M1986033PROJECT IDENTIFICATIONTask #: 002State: ColoradoAbbreviation: NoneDate: 3/27/2014County: La PlataFilename: M033-002User: KAPAgency or organization name: DRMSHOURLY EQUIPMENT COSTBasic Machine: Cat D8T - 8SUHorsepower: 310Blade Type: Semi-UniversalAttachment: NAShift Basis: 1 per dayData Source: (CRG)Cost Breakdown:

		<u>Utilization %</u>
Ownership Cost/Hour:	\$56.69	NA
Operating Cost/Hour:	\$104.03	100
Ripper op. Cost/Hour:	\$0.00	0
Operator Cost/Hour:	\$37.41	NA

Total unit Cost/Hour: \$198.13Total Fleet Cost/Hour: \$198.13MATERIAL QUANTITIESInitial Volume: 2,500Swell factor: 1.125Loose volume: 2,813 LCYSource of estimated volume: Division of Reclamation, Mining & SafetySource of estimated swell factor: Cat HandbookHOURLY PRODUCTIONAverage push distance: 100 feetUnadjusted hourly production: 852.6 LCY/hrMaterials consistency description: Compacted fill or embankment 0.9Average push gradient: 25 %Average site altitude: 6,600 feetMaterial weight: 2,550 lbs/LCYWeight description: Earth - Dry packedJob Condition Correction Factor

		<u>Source</u>
Operator Skill:	0.750	(AVG.)
Material consistency:	0.900	(CAT HB))
Dozing method:	1.200	(SLOT)

Visibility:	1.000	(AVG.)
Job efficiency:	0.830	(1 SHIFT/DAY)
Spoil pile:	0.900	(SSD-FC)
Push gradient:	0.422	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	0.902	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.2303

Adjusted unit production: 196.35 LCY/hr

Adjusted fleet production: **196.35 LCY/hr**

JOB TIME AND COST

Fleet size: 1 Dozer(s)
 Unit cost: \$1.009/LCY

Total job time: **14.32 Hours**
 Total job cost: **\$2,838.02**

DEMOLITION WORK

Task description: Removed debris

Site: Hess Pit Permit Action: 2014 Inspection Permit/Job#: M1986033

PROJECT IDENTIFICATION

Task #: 003 State: Colorado Abbreviation: None
Date: 3/27/2014 County: La Plata Filename: M033-003
User: KAP

Agency or organization name: DRMS

UNIT COSTS

Location adjustment: 91.60 %

Structure or Item Description	Dimensions	Demolition Menu Selection	Quantity	Unit	Unit Cost	Total Cost
Misc. materials, metal and tires	8' x 10' x 10'	Pipe, sewer/water - 15 to 18 in. diameter pipe	120.00	LF	\$3.16	\$379.20
2' Culverts	2' x 10'	Pipe, sewer/water - 21 to 24 in. diameter pipe	120.00	LF	\$9.42	\$1,130.40

Job Hours: 3.00 Subtotal (unadjusted): \$1,509.60 Total Cost (adjusted for location): \$1,382.79

REVEGETATION WORKTask description: RevegetationSite: Hess Pit Permit Action: 2014 Inspection Permit/Job#: M1986033PROJECT IDENTIFICATION

Task #: 004 State: Colorado Abbreviation: None
 Date: 3/27/2014 County: La Plata Filename: M033-004
 User: KAP

Agency or organization name: DRMSFERTILIZING**Materials**

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
Ammonium nitrate, 33-0-0	120.00	pound	\$0.36	\$43.08
Triple superphosphate, 0-46-0	100.00	pound	\$0.50	\$49.60
			Total Fertilizer Materials Cost/Acre	\$92.68

Application

Description	Cost /Acre
Truck whirlwind spreader (MEANS 32 01 90.13 0140)	\$22.22
Total Fertilizer Application Cost/Acre	\$22.22

TILLING

Description	Cost /Acre
Disc harrowing, 6" deep (MEANS 32 91 13.23 6100)	\$98.01
Total Tilling Cost/Acre	\$98.01

SEEDING

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost /Acre
Indian Ricegrass - Paloma	1.90	6.15	\$16.55
Crested Wheatgrass - Fairway	3.50	16.07	\$8.47
Pubescent Wheatgrass - Luna	4.40	9.09	\$9.86
Galleta	1.20	4.38	\$30.24
Totals Seed Mix	11.00	35.69	\$65.12

Application

Description	Cost /Acre
Drill seeding (DRMS Cost Data)	\$88.20

Total Seed Application Cost/Acre	\$88.20
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MULCHING and MISCELLANEOUS**Materials**

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
Straw, delivered {MEANS 31 25 14.16 1200}	2.00	TON	\$265.00	\$530.00
Total Mulch Materials Cost/Acre				\$530.00

Application

Description	Cost /Acre
Crimping, with tractor {DMG survey data}	\$65.89
Power mulcher (MEANS 32 91 13.16 0250)	\$86.68
Total Mulch Application Cost/Acre	\$152.57

NURSERY STOCK PLANTING

Common Name	No / Acre	Type and Size	Planting Cost	Fertilizer Pellet Cost	Cost /Acre
					\$
Totals Nursery Stock Cost / Acre					\$0.00

JOB TIME AND COST

No. of Acres: 2.5 Cost /Acre: \$1,048.80
 Estimated Failure Rate: 30% Cost /Acre*: \$1,048.80
 *Selected Replanting Work Items: FERTILIZING,TILLING,SEEDING,MU
LCHING

Initial Job Cost: \$2,622.00
 Reseeding Job Cost: \$786.60
 Total Job Cost: \$3,408.60
 Job Hours: 5.00

EQUIPMENT MOBILIZATION/DEMOBILIZATIONTask description: MobilizeSite: Hess PitPermit Action: 2014 InspectionPermit/Job#: M1986033**PROJECT IDENTIFICATION**Task #: 005State: ColoradoAbbreviation: NoneDate: 3/27/2014County: La PlataFilename: M033-005User: KAPAgency or organization name: DRMS**EQUIPMENT TRANSPORT RIG COST**Shift basis: 1 per dayCost Data Source: CRG DataTruck Tractor Description: GENERIC ON-HIGHWAY TRUCK TRACTOR, 6X4, DIESEL POWERED, 400 HP (2ND HALF, 2006)Truck Trailer Description: GENERIC FOLDING GOOSENECK, DROP DECK EQUIPMENT TRAILER (25T, 50T, AND 100T)**Cost Breakdown:**

Available Rig Capacities	0-25 Tons	26-50 Tons	51+ Tons
Ownership Cost/Hour:	\$16.63	\$18.37	\$22.33
Operating Cost/Hour:	\$44.38	\$46.13	\$50.07
Operator Cost/Hour:	\$27.66	\$27.66	\$27.66
Helper Cost/Hour:	\$0.00	\$25.39	\$25.39
Total Unit Cost/Hour:	\$88.67	\$117.55	\$125.45

NON ROADABLE EQUIPMENT:

Machine Description	Weight/ Unit (TONS)	Owner ship Cost/hr/ unit	Haul Rig Cost/hr/unit	Fleet Size	Haul Trip Cost/hr/ fleet	Return Trip Cost/hr/ fleet	DOT Permit Cost/ fleet
Cat D8T - 8SU	47.71	\$56.69	\$117.55	1	\$174.24	\$117.55	\$0.00
Power Mulcher (Reinco M90)	6.00	\$7.03	\$88.67	1	\$95.70	\$88.67	\$0.00
Drill/Broadcast Seeder with Tractor	25.00	\$39.59	\$88.67	1	\$128.26	\$88.67	\$0.00

Subtotals: **\$398.20** **\$294.89** **\$0.00****ROADABLE EQUIPMENT:**

Machine Description	Total Cost/hr/ unit	Fleet Size	Haul Trip Cost/hr/ fleet	Return Trip Cost/hr/ fleet
Light Duty Pickup, 4x4, 3/4 T.	\$15.34	1	\$15.34	\$15.34

Subtotals: **\$15.34** **\$15.34**

EQUIPMENT HAUL DISTANCE and Time

Nearest Major City or Town within project area region:	<u>DURANGO</u>	
Total one-way travel distance:	<u>13.00</u>	miles
Average Travel Speed:	<u>30.00</u>	mph

Total Non-Roadable Mob/Demob Cost *	<u>\$1,397.08</u>
'* two round trips with haul rig:	
Total Roadable Mob/Demob Cost **	<u>\$13.29</u>
'** one round trip, no haul rig:	

Transportation Cycle Time:

	Non-Roadable Equipment	Roadable Equipment
Haul Time (Hours):	<u>0.43</u>	<u>0.43</u>
Return Time (Hours):	<u>0.43</u>	<u>0.43</u>
Loading Time (Hours):	<u>0.50</u>	<u>NA</u>
Unloading Time (Hours):	<u>0.50</u>	<u>NA</u>
Subtotals:	<u>1.87</u>	<u>0.87</u>

JOB TIME AND COST

Total job time:	<u>3.73</u>	Hours
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Total job cost:	<u>\$1,410.37</u>
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