



COLORADO

Division of Reclamation,
Mining and Safety

Department of Natural Resources

1313 Sherman Street, Room 215
Denver, Colorado 80203

August 15, 2014

Frank L. Leone
Leone Sand & Gravel LLC
2400 E Main Street
Trinidad, CO 81082

**Re: Leone Gravel Pit, DRMS Permit No. M-2004-026
Financial Warranty Reduction Approval, Revision No. SR-02**

Mr. Leone,

On **August 15, 2014**, the Division of Reclamation, Mining and Safety (Division) approved your request for a Financial Warranty Reduction to **\$21,500.00** for the Leone Gravel Pit (DRMS Permit No. M-2004-026). This is a reduction of \$8,700.00. This decision reduces the amount of the Financial Warranty, and does not approve any release of reclamation responsibility for the tasks associated with this request.

Please provide a rider to the current Financial Warranty, or submit a new Financial Warranty reflecting this reduction. If you wish to submit a different type of Financial Warranty or have any questions regarding the Financial Warranty, please contact Barbara Coria by telephone at 303-866-3567, extension 8148, or by email at barbara.coria@state.co.us.

If you need additional information, please contact me at the Division of Reclamation, Mining and Safety, 1313 Sherman Street, Room 215, Denver, CO 80203, by telephone at 303-866-3567, extension 8129, or by email at amy.eschberger@state.co.us.

Sincerely,

Amy Eschberger
Environmental Protection Specialist

Enclosure: Division's cost estimate work for SR-02 request

CC: Tom Kaldenbach, DRMS
Barbara Coria, DRMS



COST SUMMARY WORK

Task description: Direct + Indirect Costs

Site: Leone Gravel Pit Permit Action: 2014 Cost Estimate Permit/Job#: M2004026

PROJECT IDENTIFICATION

Task #: 115 State: Colorado Abbreviation: None
Date: 7/15/2014 County: Las Animas Filename: M026-115
User: AME

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
111	Reseed 3 acres	REVEGE	1	12.00	\$493.00
112	Rip upper level 10 acres	RIPPER	1	14.81	\$3,299.00
113	Revegetate upper level 10 acres	REVEGE	1	40.00	\$11,628.00
114	Mob/Demob	MOBILIZE	1	1.88	\$2,239.00
<u>SUBTOTALS:</u>				68.69	\$17,659

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance:	2.02%	Total =	\$356.71
Performance bond:	1.05%	Total =	\$185.42
Job superintendent:	0.00 hrs	Total =	\$0.00
Profit:	10.00%	Total =	\$1,765.90

TOTAL O & P = \$2,308.03

CONTRACT AMOUNT (direct + O & P) = \$19,967.03

LEGAL - ENGINEERING - PROJECT MANAGEMENT:

Financial warranty processing (legal/related costs):	<u>0.00</u>	Total =	<u>0.00</u>
Engineering work and/or contract/bid preparation:	<u>3.00%</u>	Total =	<u>\$599.01</u>
Reclamation management and/or administration:	<u>5.00%</u>		<u>\$998.35</u>

CONTINGENCY: 0.00 Total = \$0.00

TOTAL INDIRECT COST = \$3,905.39

TOTAL BOND AMOUNT (direct + indirect) = \$21,564.39

REVEGETATION WORKTask description: **Reseed 3 acres**Site: **Leone Gravel Pit**Permit Action: **2014 Cost Estimate**Permit/Job#: **M2004026****PROJECT IDENTIFICATION**Task #: **111**State: **Colorado**Abbreviation: **None**Date: **7/15/2014**County: **Las Animas**Filename: **M026-111**User: **AME**Agency or organization name: **DRMS****FERTILIZING****Materials**

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
			\$	\$
			Total Fertilizer Materials Cost/Acre	\$0.00

Application

Description	Cost /Acre
	\$
Total Fertilizer Application Cost/Acre	\$0.00

TILLING

Description	Cost /Acre
	\$
Total Tilling Cost/Acre	\$0.00

SEEDING

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost /Acre
Indian Ricegrass - Nespar	1.25	4.05	\$8.85
Blue Grama - Lovington	0.30	4.90	\$3.26
Sideoats Grama - El Reno	3.60	11.82	\$40.46
Western Wheatgrass - Arriba	6.40	16.16	\$23.55
Totals Seed Mix	11.55	36.92	\$76.12

Application

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

MULCHING and MISCELLANEOUS**Materials**

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
			\$	\$
Total Mulch Materials Cost/Acre				\$0.00

Application

Description	Cost /Acre
	\$
Total Mulch Application Cost/Acre	\$0.00

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:	3	Cost /Acre:	\$164.32
Estimated Failure Rate:	0%	Cost /Acre*:	\$164.32
*Selected Replanting Work Items:	SEEDING		
Initial Job Cost:	\$492.96		
Reseeding Job Cost:	\$0.00		
Total Job Cost:	\$493		
Job Hours:	12.00		

BULLDOZER RIPPING WORK

Task description: Rip upper level 10 acres

Site: Leone Gravel Pit

Permit Action: 2014 Cost Estimate

Permit/Job#: M2004026

PROJECT IDENTIFICATION

Task #: 112

State: Colorado

Abbreviation: None

Date: 7/15/2014

County: Las Animas

Filename: M026-112

User: AME

Agency or organization name: DRMS

HOURLY EQUIPMENT COST

Basic Machine: Cat D8T - 8SU
Ripper Attachment: 3-Shank Ripper

Horsepower: 310

Shift Basis: 1 per day

Data Source: (CRG)

Cost Breakdown:

		Utilization %
Ownership Cost/Hour:	\$69.05	NA
Operating Cost/Hour:	\$108.22	100
Ripper Operating Cost/Hour:	\$7.46	100
Operator Cost/Hour:	\$38.01	NA
Total Unit Cost/Hour:	\$222.73	
Total Fleet Cost/Hour:	\$222.73	

MATERIAL QUANTITIES

Selected estimating method: Area

Alternate Methods:

Seismic: NA Bank Volume: NA BCY NA
Area: 10.00 acres Rip Depth (ft): 1.00 Volume: 16,133 BCY or CCY

Source of estimated quantity: DRMS

HOURLY PRODUCTION

Seismic:

Seismic Velocity: NA feet/second

Area:

Average Ripping Depth: 2.56 mph
Average Ripping Width: 7.08 degrees
Average Ripping Length: 400.00 feet
Average Dozer Speed: 88.00 feet
Average Maneuver Time: 0.25 feet
Production per unit area: 0.813 acres/hour

Job Condition Correction Factors

Unadjusted Hourly Unit Production: 0.813 Acres/hr
Site Altitude: 6,000 feet
Altitude Adj: 1.00 (CAT HB)
Job Efficiency: 0.83 (1 shift/day)
Net Correction: 0.83 multiplier

Adjusted Hourly Unit Production: 0.68 Acres/hr
Adjusted Hourly Fleet Production: **0.68** Acres/hr

JOB TIME AND COST

Fleet size: 1 Grader(s) Total job time: **14.81** Hours

Unit cost: \$329.894 Per acre Total job cost: **\$3,299**

REVEGETATION WORKTask description: Revegetate upper level 10 acresSite: Leone Gravel PitPermit Action: 2014 Cost EstimatePermit/Job#: M2004026**PROJECT IDENTIFICATION**Task #: 113State: ColoradoAbbreviation: NoneDate: 7/15/2014County: Las AnimasFilename: M026-113User: AMEAgency or organization name: DRMS**FERTILIZING****Materials**

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
			\$	\$
			Total Fertilizer Materials Cost/Acre	\$0.00

Application

Description	Cost /Acre
	\$
Total Fertilizer Application Cost/Acre	\$0.00

TILLING

Description	Cost /Acre
Chisel plowing (DMG)	\$88.58
Weed control spraying (MEANS 31 31 16.13 3100)	\$145.20
Total Tilling Cost/Acre	\$233.78

SEEDING

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost /Acre
Indian Ricegrass - Nespar	1.25	4.05	\$8.85
Blue Grama - Lovington	0.30	4.90	\$3.26
Sideoats Grama - El Reno	3.60	11.82	\$40.46
Western Wheatgrass - Arriba	6.40	16.16	\$23.55
Totals Seed Mix	11.55	36.92	\$76.12

Application

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

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:	10	Cost /Acre:	\$1,080.67
Estimated Failure Rate:	50%	Cost /Acre*:	\$164.32
*Selected Replanting Work Items:	SEEDING		
Initial Job Cost:	\$10,806.70		
Reseeding Job Cost:	\$821.60		
Total Job Cost:	\$11,628		
Job Hours:	40.00		

EQUIPMENT MOBILIZATION/DEMOBILIZATIONTask description: **Mob/Demob**Site: **Leone Gravel Pit**Permit Action: 2014 Cost EstimatePermit/Job#: M2004026**PROJECT IDENTIFICATION**Task #: 114State: ColoradoAbbreviation: NoneDate: 7/15/2014County: Las AnimasFilename: M026-114User: AMEAgency 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	53.08	\$69.05	\$125.45	1	\$194.50	\$125.45	\$250.00
Drill/Broadcast Seeder with Tractor	25.00	\$39.59	\$88.67	1	\$128.26	\$88.67	\$250.00
Power Mulcher (Reinco M90)	6.00	\$7.03	\$88.67	1	\$95.70	\$88.67	\$250.00

Subtotals: **\$418.46** **\$302.79** **\$750.00****ROADABLE EQUIPMENT:**

Machine Description	Total Cost/hr/ unit	Fleet Size	Haul Trip Cost/hr/ fleet	Return Trip Cost/hr/ fleet
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Subtotals: **\$0.00** **\$0.00**

EQUIPMENT HAUL DISTANCE and Time

Nearest Major City or Town within project area region:	TRINIDAD	
Total one-way travel distance:	10.00	miles
Average Travel Speed:	45.00	mph

Total Non-Roadable Mob/Demob Cost *	\$2,239.02
* two round trips with haul rig:	
Total Roadable Mob/Demob Cost **	\$0.00
** one round trip, no haul rig:	

Transportation Cycle Time:

	Non-Roadable Equipment	Roadable Equipment
Haul Time (Hours):	0.22	0.22
Return Time (Hours):	0.22	0.22
Loading Time (Hours):	0.25	NA
Unloading Time (Hours):	0.25	NA
Subtotals:	0.94	0.44

JOB TIME AND COST

Total job time:	1.89	Hours
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Total job cost:	\$2,239
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