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March 29, 2016

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DIVISION OF RECLAMATION
MINING AND SAFETY

Mr. Timothy Cazier, P.E.
Environmental Protection Specialist
Division of Reclamation, Mining and Safety
Colorado Department of Natural Resources
1313 Sherman Street, Room 215
Denver, Colorado 80203

RE: Cripple Creek & Victor Gold, Cresson Project, Permit No. M-1980-244, Amendment 11

Dear Mr. Cazier:

The City of Cripple Creek, Colorado (City), received notice of and respectfully submits comments herewith regarding permit Amendment 11 and the Amended-Amendment 11 (either or both of which may be referred to as Amendment) filed on or about December 17, 2015, and February 12, 2016, respectively, by the Cripple Creek & Victor Gold Mining Company (CC&V or mine or applicant) with the state.

In 1990, one hundred years after the history-making gold discovery in Poverty Gulch located just a few hundred yards of what later became the city limits of Cripple Creek, the voters of Colorado made it clear that they wanted to preserve the historic nature in and around the City by allowing limited stakes gambling in Cripple Creek. Since that time, the City has done its part in fulfilling the desires of the voters by preserving historic buildings and the historic nature of the City, while building an active, tourism-based community.

The taxes and fees paid by the gaming industry in Colorado help to support historic preservation throughout the state, add to the state's general fund, and provide support to community colleges. The City's tourist-based economy is primarily driven by the gaming industry and heritage tourism.

Part of what makes Cripple Creek unique to the other historic mining towns that exist outside of the Cripple Creek Mining District is that active mining continues still yet today. It is probably

accurate to say that CC&V is one of a very few large mining operations in the United States that operates as close as it does to cities and its residents.

As the CC&V mining operations and its facilities move closer by the year to Cripple Creek, we – that is, the City, county, state and mine – must be vigilant to ensure that the safety and interests of all stakeholders are considered when proposing development in the area. It is with this sentiment that the City feels it must object to Amendment 11 as currently submitted, and requests that the state ensure the concerns of the City are adequately addressed before approving the mine's plans.

The submission of comments by the City is not a statement of an objection to mining or to the operations of CC&V, but rather, it is an statement of support to help the mine understand the concerns of the City's residents and visitors so that the backing the mine has earned over the years does not fade.

The City acknowledges the efforts to date the mine has shown toward community support, historic preservation and transparency, but in reviewing Amendment 11, there are several important details that have been omitted from the Amendment and several important issues that have not been properly addressed – this poses a concern for the City.

For example, two very important boundaries that help ensure safety and preserve the historic nature of the Cripple Creek Mining District are the Cripple Creek Mining Overlay District (CCMOD) and the Historic / Recreation Area (HRA) buffer zone. In the narrative of the Amendment, the mine quietly addresses their intent to broaden the extent the CCMOD through the county approval process; however, unlike in previous permit amendments, the existing CCMOD boundary is not shown or labeled on any drawing in Amendment 11, nor is the newly-proposed CCMOC boundary shown or labeled. Further, the HRA is not shown on any drawings, nor is any mention made as to whether or not the mine wishes to amend that boundary. Although not specifically addressed or pointed out by the applicant, it seems apparent from drawings included in Amendment 11 that the mine intends to work toward eliminating this extremely important buffer zone that has severed to protect and enhance an area that is used and enjoyed extensively by locals and tourists.

The City has limited resources with which to compare changes proposed in Amendment 11 to Amendment 10 and older amendments; therefore, the City hopes that with the assistance of the state and the mine, the issues of concern will be adequately and clearly addressed in the final version of Amendment 11.

Below are several issues that support the City's objection to Amendment 11 as currently submitted:

1. **CITY LIMIT BOUNDARY.** Given the proximity of the mine to the cities of Cripple Creek and Victor, the Amendment does not adequately address the city limit boundaries of

these cities. The City feels that to adequately assess the mine's impacts and planned extent, the city limit boundaries need to be shown, at a minimum, on the following drawings:

- a. *C-2: Existing and Approved Facilities*
- b. *C-4: Proposed Facilities, Overburden and Mines*
 - i. In addition to the city limit boundaries, it would be very helpful to show the layout of the cities as depicted on *Drawing C-2*.
- c. *C-4a: Changes in Disturbance Categories*
 - i. In addition to the city limit boundaries, it would be very helpful to show the layout of the cities as depicted on *Drawing C-2*.
- d. *Figure 1: Amendment 10 Permit Boundary Compared with Amended Amendment 11 Permit Boundary*
- e. *Figure 2: Amendment 11 Permit Boundary Compared with Amended Amendment 11 Permit Boundary*

2. **CRIPPLE CREEK MINING OVERLAY DISTRICT (CCMOD) BOUNDARY.** The existing boundary of the CCMOD is not adequately addressed or adequately shown on the drawings in the Amendment. The City feels that to adequately assess the mine's impact and planned extent, the CCMOD boundary needs to be shown, at a minimum, on the following drawings:

- a. *C-2: Existing and Approved Facilities*
- b. *C-4: Proposed Facilities, Overburden and Mines*
 - i. In addition to the city limit boundaries, it would be very helpful to show the layout of the cities as depicted on *Drawing C-2*.
- c. *C-4a: Changes in Disturbance Categories*
 - i. In addition to the city limit boundaries, it would be very helpful to show the layout of the cities as depicted on *Drawing C-2*.
- d. *Figure 1: Amendment 10 Permit Boundary Compared with Amended Amendment 11 Permit Boundary*
- e. *Figure 2: Amendment 11 Permit Boundary Compared with Amended Amendment 11 Permit Boundary*

3. **HISTORIC / RECREATION AREA BUFFER (HRA) BOUNDARY.** The existing boundary of the HRA is not adequately shown or addressed in the Amendment. The City feels that to adequately assess the mine's impact and planned extent, the HRA boundary needs to be shown, at a minimum, on the following drawings:

- a. *C-2: Existing and Approved Facilities*
- b. *C-4: Proposed Facilities, Overburden and Mines*
 - i. In addition to the city limit boundaries, it would be very helpful to show the layout of the cities as depicted on *Drawing C-2*.
- c. *C-4a: Changes in Disturbance Categories*
 - i. In addition to the city limit boundaries, it would be very helpful to show the layout of the cities as depicted on *Drawing C-2*.

- d. *Figure 1: Amendment 10 Permit Boundary Compared with Amended Amendment 11 Permit Boundary*
- e. *Figure 2: Amendment 11 Permit Boundary Compared with Amended Amendment 11 Permit Boundary*

4. MINING DISTURBANCE and PERMIT BOUNDARIES.

- a. North Cresson Mine: A revised mining disturbance boundary in North Cresson is being proposed. How will this affect the viewshed from the City's perspective related to visual impacts and timing of disturbance as compared to that portrayed by the mine in Amendment 10?
- b. Poverty Gulch: Poverty Gulch is the site of the Chicago Tunnel portal site. It is also one of the most historically-significant areas, if not the most historically significant area, in all of the Cripple Creek Mining District because it is the site where in late 1890/early 1891, Bob Womack announced his gold vein discovery which led to the gold rush in the District, and which formed the basis of the growth and development of Colorado Springs and everything in between.

The Amendment only briefly addresses the proposed additional disturbance in Poverty Gulch. In the original submittal of the Amendment dated December 16, 2015, the mine states that "...additional land disturbance is not expected as part of this Amendment 11 with the exception of surface infrastructure to support underground mining at the Chicago Tunnel portal area in Poverty Gulch." The mine goes on to say in the Amended-Amendment dated February 11, 2016, that the Amendment submitted on December 16, 2015, "...included a modified permit boundary, which added roughly 124 acres in the Poverty Gulch area to accommodate underground mining activities." However, in reviewing *Drawing C-4a: Changes in Disturbance Categories*, the only new disturbance proposed in Amendment 11 appears to be roughly one-third of the 124 acres stated above, say, 42 roughly acres, as part of the Proposed Underground Mine Area. It certainly seems unnecessary and unreasonable, therefore, to include an additional 80 or so acres to the permit boundary in Poverty Gulch since the mine has no definitive plans for using or disturbing this area. This fact becomes even more important since the additional 80 acres eats up nearly all of the remaining acreage of the HRA considering what is left after the underground mine portal area deletes 42 acres from the HRA. Basically, the mine's current proposal disregards the Memorandum of Understanding it entered into with the residents of Teller County for preserving a historically significant area that is important to the residents, tourists, the mining district and the state.

Amendment 10 seems to have included a much more detailed and easily understood version of *Drawing C-4a: Changes in Disturbance Categories*, by including aerial photography as the base for the drawing. It would be much appreciated if such clarity and detail were included in Amendment 11.

5. **HAULAGE AND ACCESS ROADS.** Access roads and haulage roads to the Chicago Tunnel portal site are not adequately addressed in the Amendment, nor are they shown on relevant drawings. While casual reference is made by the mine that “[a]ccess to the site remains the same as in the 1988 application [for the Chicago Tunnel]” per correspondence to DRMS dated May 11, 2015, and titled *Permit M-1988-026 Notice of Reopening Chicago Tunnel under provisions of Technical Revision 3 (TR-3)*, this hardly seems sufficient to address such an important issue. Access and haulage roads need to be adequately addressed in the Amendment narrative and shown, at a minimum, on drawings such as:
 - a. *C-2: Existing and Approved Facilities*
 - b. *C-3: Proposed Facilities – Building and Utilities*
 - c. *C-4a: Changes in Disturbance Categories*
6. **CITY-OWNED RIGHTS-OF-WAY.** Any access to the Chicago Tunnel via City-owned streets, roads and rights-of-way needs to be adequately addressed in the Amendment.
7. **SURFACE WATER CONTROL.** The sediment pond included in the Chicago Tunnel Storm Water Management Plan is not shown on *Drawing C-2: Existing and Approved Facilities*.
8. **UTILITIES.** *Drawing C-3: Proposed Facilities – Building and Utilities*, appears to indicate that CC&V intends to connect to the City’s water main. To our knowledge, the mine has not approached the City to discuss this issue or the issue of a sewage connection. The City is not opposed to such a proposal, and in fact, would likely welcome such a connection by the mine, but several issues need to be addressed before such an assumption on the mine’s part can be made.
9. **SAFETY, HEALTH, and SOCIAL LICENSE ISSUES.** The following issues are not adequately addressed in Amendment 11 to demonstrate that these issues have been satisfactorily considered and/or reconsidered since the approval of Amendment 10:
 - a. Historic and Cultural Resources
 - i. Need to address plans for any changes, including pedestrian access, to the historic area and structures in Poverty Gulch which includes the existing HRA.
 - ii. American Eagles Overlook (AEO)
 1. CC&V has been addressing this historical and important tourism resource since the announcement that access would be closed to the site. We feel it is relevant to point out that Amendment 10 specifically addresses access to AEO, and states that it would remain open subject to county requirements. To our knowledge, the county is not requiring that the access be closed. AEO is not addressed in Amendment 11.

- b. Traffic Study
 - i. The traffic study presented in Amendment 10 relied on short-term data that is now five years old. The current Amendment needs to validate that the data and assumptions from Amendment 10 are still accurate today, particularly, since the mine is proposing to substantially increase the number of trucks hauling hazardous material through the City, and the mine has not adequately addressed access to the Chicago Tunnel portal.
 - ii. An evaluation of the effects of increased commercial traffic servicing the mine through the City needs to be undertaken, and possible mitigation efforts implemented, to ensure the structural integrity of City streets and roads.
- c. Noise
 - i. Given that the mine is proposing changes in the mine plan in the North Cresson area, how will the noise from this area affect the City?
 - 1. What noise mitigation efforts are planned to minimize the noise?
 - ii. Need to address noise sources and effects on residents and tourists as a result of planned expanded activities at the Chicago Tunnel.
- d. Public Roads
 - i. Identify all City roads and rights-of-way, if any, planned as access the Chicago Tunnel portal site.
- e. Lighting and Glare
 - i. Address any impacts sourced from the North Cresson mining area.
 - ii. Address any impacts sourced from the Chicago Tunnel portal area.
- f. Sewage Management at Chicago Tunnel
 - i. Sewage management at Chicago Tunnel needs to be addressed.
- g. Visual Resources
 - i. Address any impacts sourced from the North Cresson mining area.
 - ii. Address any impacts sourced from the Chicago Tunnel portal area.
- h. Emergency Response
 - i. How does the mine intend to access the underground mine portal site for emergency response?
- i. Hours of Operation at Chicago Tunnel
 - i. What are the planned hours of operation at the Chicago Tunnel?
 - ii. How will the planned operations at the Chicago Tunnel affect the current routine of residents and tourists in the area?
- j. Water Quality from/in Chicago Tunnel
 - i. The Amendment basically states that water volume and quality should not present a problem as it relates to the planned underground mining operations; however, there appears to be minimal research related to this issue, particularly, when considering the full extent of the planned underground mining operations.

While certainly not scientific and while not being presented as fact, it may be of interest to consider information shared by a longtime and credible resident of the District. This person's recollection is that when the Cresson Project was being permitted, representatives of the mine claimed that water quality should not be a concern with the surface mining operations, and that the only area of water quality concern is at the Chicago Tunnel.

As previously emphasized, the City has been and remains supportive of the CC&V mining operations; however, the City does not support permit Amendment 11 in its current form. It is the opinion of the City that the effects of and the design of the underground operations and portal facility located in the historically-significant Poverty Gulch have not been adequately addressed in the current permit Amendment.

The City of Cripple Creek and its staff wishes to thank CC&V and the City of Victor for helping to facilitate the City's review of the currently-proposed Amendment 11, and we appreciate the opportunity to voice our concerns.

Respectfully,

A handwritten signature in blue ink, appearing to read "Bruce Brown", with a stylized, flowing script.

Bruce Brown
Mayor