

**STATE OF
COLORADO**

Cunningham - DNR, Michael <michaela.cunningham@state.co.us>

Fairplay Au Pit - TR05

Ben Langenfeld <benl@lewicki.biz>

Fri, May 26, 2017 at 3:43 PM

To: "Cunningham - DNR, Michael" <michaela.cunningham@state.co.us>

Michael,

This email is in response to the adequacy questions your office posed for Technical Revision #5 of the Fairplay Au Pit (M-1991-037).

1. The liner is a 30 mil WCPE textured with an 8 oz geotextile underlay. See the attached liner quote from Colorado Lining for more information, if needed. The liner will be rolled out and professionally seamed onsite according to manufacturer's recommendations.
2. The liner will be cleaned of sediment as needed. Said sediment will be used in reclamation on site.
3. See the attached TR 05 map.
4. The entire liner will be removed via trackhoe and truck, and then hauled away to a landfill.

Please note that this liner is being installed into a pond for purpose of water handling during operations. The native material on site has proven too porous to hold water that is needed in operations. This pond is not an environmental protection structure.

Ben Langenfeld, P.E.

Greg Lewicki and Associates

3375 W Powers Circle

Littleton, CO 80123

benl@lewicki.biz

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From: Cunningham - DNR, Michael [mailto:michaela.cunningham@state.co.us]**Sent:** Friday, May 26, 2017 9:31 AM**To:** Ben Langenfeld <benl@lewicki.biz>**Subject:** Fairplay Au Pit - TR05

[Quoted text hidden]

2 attachments**Liner Quote_Redacted.pdf**
154K**Katuska Mine 170522-TR 05 Map.pdf**
1463K



Guided by our Core Values
QUALITY - COMMITMENT - RESILIENCE - INNOVATION

Material & Installation Price Quotation

Attn: Trey Poulson
 Company: Gold Rush
 RE: Fairplay, CO - Emergency Pond
 CLI Standard Spec Material: Yes

Fax: _____
 Phone: _____
 Email: _____

Colorado Lining International, Inc. ("CLI") is pleased to submit the following Specific Terms and Conditions of Quotation for the above-referenced project:

Description	Unit	Qty	Unit Price	Amount
30 mil WCPE Textured - 3 @ 259.8' X 110'	SF	85,734		\$
8oz Geotextile Underlayment - 19 @ 15' X 300'	Roll	19		\$
Daily Rate - 2 Technicians - Based on 8 hr Day - Portal to Portal	Per Day	2		\$
Notes:				
*Sales tax will be added unless exempt certificate is provided			Total	\$

Mechanical attachment of liner to concrete, if needed, will be billed at \$25.00/LF installed.

Prices are valid for 30 days and are based on the attached Terms and Conditions of this Quotation and General Terms and Conditions of Sale

Prices include delivery of material to Fairplay, CO, installation by trained crew, 0 pipe boots, 0 LF of batten attachment, on-site testing of field welds, CLI standard insurance, 1 year installation warranty and manufacturer's material warranty.

Prices exclude any and all taxes, union work, de-watering and snow removal, piping or pipe work, concrete work, earthwork and trenches, PPE above level "D", pipe boots and mechanical fastening above and beyond those listed above, permits, bonds, surveying and independent material or seam testing.

We need provided by others: 6-8 laborers to assist in panel deployment, unloading and storage of material within 100 yards from the installation location upon arrival, sand or clean dirt for sandbags, sufficient access for deployment, an area for disposal of scrap material, a front end loader or all terrain forklift capable of lifting 8,000 pounds and access to sanitary facilities for CLI employees.

Prior to mobilization we will need to be assured of a prepared sub-grade maintained in a clean dry unencumbered state. All liner penetrations prepared in a suitable fashion for proper industry standard liner attachment. Pipes that will penetrate the liner have been tested and are watertight. Additional charges will be assessed for the presence of ground water during installation.

Price is based on one mobilization with continuous work throughout, open shop non-prevailing non-union wage rates, unlimited work hours/days, and drawings/specs submitted. Should actual installed quantities vary from the estimate, additional charges for labor, material and freight may be assessed. Additional mobilization will be billed at \$1,000 per occurrence and stand-by for unprepared sub-grade will be billed at \$2,000 per day.

Payment terms are based on approved credit.

We appreciate the opportunity to offer this Quotation and look forward to doing business with you. Please call should you have any questions or need additional information.

Alex Nichols Fax: 303-841-5780
 Estimator Cell: 303-548-7117
 Phone: 303-951-5926 E-Mail: anichols@coloradolining.com

Created By: HP:Opportunity Record U

Company Acceptance: (provide Name of Company)

Accepted by (Signature): _____ Date: _____

Accepted by (Print): _____ Title: _____

Tax Exempt (please circle one) Yes No

Delivery Address & Offloading Contact Information

Delivery Address: _____

Contact Person: _____

Phone #: _____

Colorado Lining International, Inc. Acceptance:

Accepted by (Signature): _____ Date: _____

Accepted by (Print): _____ Title: _____

TERMS AND CONDITIONS OF QUOTATION

- CLI expects to be paid in full for the bid total listed on this Quotation, plus any additional amounts billed pursuant to this Quotation. If the payment quantity is based on a measured quantity, then a unit price change will be mutually agreed upon by the Company and CLI. The quantity as listed in this Quotation is what the project will require for completion inclusive of waste, slope loss, and anchor trench material. The Company must notify CLI as soon as practicable if there is a discrepancy between the payment quantity listed on this Quotation and the quantity that the project owner plans on paying for at project completion.
- Unless otherwise noted, if the Quotation is not accepted in its entirety, CLI reserves the right to re-price the project based upon the revised scope of work or quantity changes greater than 5%.
- If the construction schedule is delayed beyond October 31 of any year for reasons beyond CLI's control, additional charges for winter work will apply.
- If the Company's prime contract provides for prepayment for stored materials, Company shall exercise this contract provision for CLI's benefit and obtain prepayment for materials shipped to the jobsite.
- On occasion, CLI will ship excess materials to a project in order to take advantage of freight opportunities. This excess geosynthetic material remaining after project completion is the property of CLI.
- Prices are valid for 30 days with material delivery within 30 days of purchase order or executed contract. Any material price or freight increases imposed on CLI due to industry wide escalations in resin costs or freight costs will be passed onto the Company.
- This proposal does not include funds to provide bonding for this project. Bond rate will vary according to the project, and location. Please contact us to determine the bond rate specific to your project.
- The presence of groundwater before, during, or after installation will result in additional charges and will void any and all material and installation warranties.
- Damage and subsequent repair to the lining system caused by gas build up under the liner is not covered by CLI's installation warranty. CLI recommends that the Company consult with an engineer to design an effective under liner gas venting system.
- Subgrade Preparation: It is the owner's, general contractor's, or Company's responsibility to provide a smooth and dry subgrade free of sharp or angular stones, and stones greater than 3/8" in size, compacted to minimum 90%, and has no sharp elevation changes. Preparation of the subgrade may require raking, picking of rocks, compacting, rolling, construction of temporary access road(s), and vegetation removal. All of the labor, equipment, and related costs of any of these activities will be the responsibility of the owner, general contractor, or Company.
- CLI will require that the Specific Terms and Conditions of Quotation and General Terms and Conditions of Quotation be made part of any contract or other agreement that may result from this offer.
- A zero leakage rate is not attainable for any liner system and cannot be guaranteed. Colorado Lining will use an action leakage rate of 500 gallons per acre per day as the trigger for warranty claim work relating to leakage.
- Freight prices are estimates only. Company will be charged actual freight costs at time of shipping.

GENERAL TERMS AND CONDITIONS OF SALE

Attached to and made a part of that Material and Price Installation Quotation

1. **ACCEPTANCE:** This Quotation will be accepted and an order placed by Company by signing the acceptance and returning to Seller, Colorado Lining International, Inc. (CLI), within 30 days from the date of this proposal. As a condition precedent, all sales are subject to approved credit and judgement by CLI of Company's acceptance. All orders are subject to approval and acceptance by Home Office.
2. **PRICE:** The quoted price is based on current material costs and is valid for 30 days. All taxes including federal, state, local, excise, sales, use and any other applicable taxes are excluded in this Quotation and are the responsibility of Company to pay to CLI if acting as collecting agent or directly to tax entity. No costs are included in the price for bonds, permits, fees, adhesives, boots or any other item unless specifically described in the Quotation. Any such costs shall be the sole responsibility of Company. Price quoted makes no provision for liquidated damages or similar charges and CLI shall not be liable for any such damages.
3. **DELIVERY OF GOODS:** Should Company be unable to accept delivery as scheduled, Company shall arrange for an alternative delivery site acceptable to CLI. The costs incurred in connection with the use of such alternative site, as well as any additional costs incurred by CLI, shall be the sole responsibility of Company. Title and Risk of Loss shall pass to Company at the point of loading if Company is providing the carrier or upon delivery if CLI is providing the carrier. Where delivery of Product is delayed for any reason outside of the reasonable control of CLI, CLI reserves the right to amend the prices for the Product and Delivery to those current at the date when delivery is made.
4. **PAYMENT:** Unless credit terms have been previously established, the Company shall make payment in full to CLI for all materials and freight prior to custom fabrication (where applicable) or shipment. If installation supervision or construction services are provided by Colorado Lining International, Inc. (CLI) within the scope of this Agreement, all such services will be billed to Company at CLI's standard hourly rates as stated in its "Hourly Rates for Additional Services," (a copy of which will be provided upon request) or a mutually agreed-upon fixed rate. All fees, costs and expenses related to such supervision or construction, including any construction and travel expenses, together with any other material, equipment or related costs, shall be paid in full within 30 days of the date of each invoice to Company from CLI. Supervision and travel expenses may be paid on a progress payment basis where applicable and agreed to by CLI and the Company and upon approval of Company's credit by CLI. Interest will be charged on all amounts past due at the rate of 1.5% per month (18% per annum). Retainage is not applicable. All invoices must be paid in full.
5. **DELAYS:** CLI will not be liable for any delay in the performance of orders or contracts or the delivery of shipment of goods or for any damages suffered by Company by reason of such delay if such delay is directly or indirectly caused by, or any manner arises from, fires, floods, accidents, civil unrest, acts of God, war, governmental interference, strikes, labor difficulties, shortage of labor, fuel, power, materials or supplies, transportation delays or any other cause or causes beyond the control of CLI.
6. **ORDER CANCELLATION:** Company is responsible for cancellation fees after CLI has acknowledged the order. If Company cancels all, or any portion of, the order after CLI has been instructed to proceed, Company shall pay for all fabricated and/or purchased components pertaining to the canceled order and all other non-recoverable costs incurred by CLI pertaining to the canceled order.
7. **REWORKING:** No special order Liners or Boots may be returned for credit. Any standard panels undamaged and in original containers with no damage are subject to a restocking charge equal to 35% of the purchase price and must be returned within 15 days of substantial completion of lining portion of the project. Freight to and from the delivery site will be paid by the Purchaser. Product must be inspected and accepted by CLI before credit is issued. All products must be returned with CLI roll numbers arranged.
8. **WARRANTY:** NO WARRANTY OR GUARANTEE EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE IS MADE, AND ALL SUCH WARRANTIES ARE EXPRESSLY DISCLAIMED, UNLESS THE SAME IS SPECIFICALLY SET FORTH IN A SEPARATE WRITING ACKNOWLEDGED BY CLI AND IN ANY SUCH CASE SUCH WARRANTY OR GUARANTEE IS LIMITED AS PROVIDED BY THIS PARAGRAPH.
9. **LIMIT OF LIABILITY:** CLI shall not be liable for any incidental or consequential damages resulting from any breach of warranty or defect in the goods covered by this Agreement. The liability of CLI for any such breach or defect in accepted goods shall be limited to repairing or replacing the goods as CLI shall elect. CLI's liability to Company for injury or damage arising out of use of the materials provided herein and any construction or supervision services provided by CLI, if applicable, for which legal liability may be found to rest on either CLI, shall be limited to a sum not exceeding the total supervision fees and expenses as provided in paragraph 4 of this Agreement.
10. **INDEMNIFICATION AND INSURANCE:** To the fullest extent provided by law, Customer hereby covenants and agrees, at its sole cost and expense, to indemnify, protect, defend and save harmless CLI, its shareholders, officers, directors, employees, subsidiaries, affiliates, successors, agents, and assigns ("Indemnified Parties"), from and against any and all damages, losses, liabilities, penalties, claims, demands, judgments or suits, and all costs and fees associated therewith, including attorneys' fees, resulting directly or indirectly, in whole or in part, from acts or omissions of Customer or the owner of the property on which the project is situated or connected to the performance of this contract, irrespective of whether such liability, damages, losses, claims of bodily injury, sickness, disease or death, or injury to or destruction of property, including the loss or use thereof, and any related expenses were caused in part through the negligence of the Indemnified Parties, the project owner, or subcontractor, and shall be enforceable to the full extent and amount represented by the degree or percentage of negligence or fault attributable to Customer or Customer's agents, representatives, subcontractors or suppliers, as provided in C.R.S. § 11-21-111.5(a) or any similar law in the state in which the products and services provided for in this Contract are being delivered or performed, respectively. This agreement to indemnify includes but is not limited to the obligation of the Customer to indemnify, protect, defend and save harmless Indemnified Parties from the presence or release of any Hazardous Materials on, at or from the property on which the project is situated or any property adjacent to or within the immediate vicinity of such property and from any violation of any environmental laws, regulations, codes or other applicable law and any claims of trespass or other claims of illegal or improper impact to property on which the project is situated arising from any substance retained in the containment facility that is the subject of the work under this Contract or otherwise arising from CLI's performance under this Contract. The term "Hazardous Materials," as used in this paragraph shall mean any substance, material or waste which is regulated by any local governmental authority, the state in which the products and services provided for in this Contract are being delivered or performed, respectively, or the United States Government, or any similar local, state or federal law, rules, ordinances or regulations either in existence as of the date hereof or enacted or promulgated after the date of this Agreement that concern the management, control, discharge, treatment, containment and/or removal of substances or materials that are or may become a threat to public health or the environment; or any common law theory based on nuisance, trespass, negligence, strict liability or other tortious conduct and shall also include any oil or petroleum compounds, flammable substances, explosives, radioactive materials and asbestos.
11. **COLLECTION:** If CLI is required to take any action to collect sums due under this agreement, Company will pay all costs of collection, including reasonable attorney fees.
12. **ARBITRATION:** In the event of a dispute, controversy or claim arising out of, or relating to, this Agreement or the breach or performance thereof, the parties shall negotiate in good faith in an effort to resolve such dispute. In the event the dispute is not resolved within 10 days, then such dispute shall be settled by arbitration in the County of Elbert, State of Colorado in accordance with the American Arbitration Association arbitration rules for commercial disputes as in effect on the date of this order. The Company hereby expressly consents to jurisdiction in the State of Colorado, including the Arbitrator and, if necessary, the State District Courts in Colorado. No award shall be made for punitive, special, or consequential damages, including loss of profits or loss of business opportunity. The decision of the Arbitrator pursuant hereto shall be final and binding upon the parties. The Arbitrator shall have the authority to award attorneys' fees and Arbitrator's fees to the prevailing party.
13. **115A:** CLI hereby certifies that the goods covered by the Quotation order were produced in compliance with the Fair Labor Standards Act of 1938 as Amended.
14. **APPLICABLE LAW:** This transaction shall be governed and construed according to the laws of Colorado.
15. **WAIVER:** Waiver by CLI of any breach of the terms and conditions hereof shall not be construed as a waiver of any other breach.
16. **COMPLETE AGREEMENT:** This document constitutes the entire agreement between the parties, and there are no other agreements, oral or written, between the parties except as otherwise specifically stated herein. Performance of the work and delivery of the materials described herein is subject to the execution of a contract between the parties in a form acceptable to CLI.

CORPORATE OFFICE

1062 Singing Hills Road, Parker, CO 80138 (303) 841-2022 Fax (303) 841-5780 www.coloradolining.com

Additional notes:



TR 05 Map Katuska Mine High Speed Mining, LLC <small>File Name: F:\Work\Geographic\Map\Katuska Mine\TR05 Map 110517.dwg</small>		Greg Lewicki And Associates 11541 Warrington Court Parker, CO USA 80138 Phone (303) 346-5196 E-Mail: info@lewicki.biz	
DRGCS Permit Number: 14-1991-0317 Line Entry Location: Latitude: 39.22570 State: Colorado County: Park Section: 32 & 33 Township: 9S Range: 77W Major Watershed: Platte River Map Scale: 1" = 300'		Map Georeferencing Information: Datum: NAD83 Projection: Colorado State Plane Central Survey Date: — Imagery Source: Google Imagery Date: 09/09/2016 Drawn by: Ben Langenfeld Checked by: — Approved by: —	
Longitude: -108.01149 Nearest Town: Fairplay (1.2 miles) Range: 77W F44 6th 0 300 600		Date: 11/11/2016 Date: — Date: —	