

June 19, 2017

Deb Rudibaugh
5291 CR 76
Parlin, CO 81239



COLORADO
Division of Reclamation,
Mining and Safety
Department of Natural Resources

1313 Sherman Street, Room 215
Denver, CO 80203

RE: Rudibaugh Pit, Permit No. M-1995-057, Reclamation Costs Update and Notice of Surety Increase (SI-2)

Mrs. Rudibaugh:

In an effort to ensure the Financial Warranty for the above referenced site adequately reflects the actual current costs of fulfilling the requirements of the approved reclamation plan, the Colorado Division of Reclamation, Mining and Safety (Division) has updated the reclamation cost estimate (copy enclosed). ***Therefore, pursuant to Section 34-32.5-117(4) of the Colorado Land Reclamation Act, adequate Financial Warranty must be submitted to the Division within 60 days of the mailing date of this letter.*** The additional amount needs to be accepted prior to **Friday, August 18, 2017**. Please review the enclosed figures as soon as possible and contact our office if any calculation errors are noted.

Staff calculations estimate the cost to reclaim the above referenced site to be \$24,485.00. This is an increase of \$12,911.00 over the \$11,574.00 currently held by the Division. This estimate is based on conditions observed during the June 13, 2017 inspection.

Please make arrangements with Barbara Coria at the Division of Reclamation, Mining and Safety Denver Office, phone no. 303.866.3567, ext. 8148 for submittal of the financial warranty. Any questions regarding completion, execution and/or submittal of financial warranty forms should also be directed to Barbara Coria.

If you require additional information, have questions or concerns, please contact me at the DRMS Grand Junction Field Office.

Sincerely,

Dustin Czapla

Environmental Protection Specialist
Department of Natural Resources
Division of Reclamation, Mining and Safety
101 South 3rd, Suite 301
Grand Junction, CO 81501
Phone: (970) 243-6299

Enc: Financial Warranty Cost Estimate



COST SUMMARY WORK

Task description: Reclamation Cost Update

Site: Rudibaugh Pit

Permit Action: 2017-06-16 Update

Permit/Job#: M1995057

PROJECT IDENTIFICATION

Task #: 000

State: Colorado

Abbreviation: None

Date: 6/16/2017

County: Gunnison

Filename: M057-000

User: DMC

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
01a	Removal of junk vehicles and various trash	DEMOLISH	1	40.00	\$9,863.91
02a	Slope reduction/site contouring	DOZER	1	47.46	\$5,708.00
03a	Revegetation (approx. 7 acres currently disturbed)	REVEGE	1	10.00	\$3,144.00
04a	Mobilize reclamation equipment/crew	MOBILIZE	1	3.60	\$1,908.00
<u>SUBTOTALS:</u>				101.06	\$20,624

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance: 2.02
Performance bond: 1.05
Job superintendent: 0.00
Profit: 10.00

Total = \$416.60

Total = \$216.55

Total = \$0.00

Total = \$2,062.40

TOTAL O & P = \$2,695.55

CONTRACT AMOUNT (direct + O & P) = \$23,319.55

LEGAL - ENGINEERING - PROJECT MANAGEMENT:

Financial warranty processing (legal/related costs): 0.00

Total = 0.00

Engineering work and/or contract/bid preparation: 0.00

Total = \$0.00

Reclamation management and/or administration: 5.00

\$1,165.98

CONTINGENCY: 0.00

Total = \$0.00

TOTAL INDIRECT COST = \$3,861.53

TOTAL BOND AMOUNT (direct + indirect) = \$24,485

DEMOLITION WORK

Task description: Removal of junk vehicles and various trash

Site: Rudibaugh Pit

Permit Action: 2017-06-16 Update

Permit/Job#: M1995057

PROJECT IDENTIFICATION

Task #: 01A

State: Colorado

Abbreviation: None

Date: 6/16/2017

County: Gunnison

Filename: M057-01a

User: DMC

Agency or organization name: DRMS

UNIT COSTS

Location adjustment: 92.10 %

Structure or Item Description	Dimensions	Demolition Menu Selection	Quantity	Unit	Unit Cost	Total Cost
Junk Vehicles	50 Vehicles	Loading and 5 mile haul	1,000.00	CY	\$10.71	\$10,710.00

Job Hours: 40.00

Subtotal
(unadjusted): \$10,710.00

Total Cost
(adjusted for location): \$9,863.91

BULLDOZER WORKTask description: Slope reduction/site contouringSite: Rudibaugh PitPermit Action: 2017-06-16 UpdatePermit/Job#: M1995057**PROJECT IDENTIFICATION**Task #: 02AState: ColoradoAbbreviation: NoneDate: 6/16/2017County: GunnisonFilename: M057-02aUser: DMCAgency or organization name: DRMS**HOURLY EQUIPMENT COST**Basic Machine: Cat D6T LGPHorsepower: 200Blade Type: StraightAttachment: NAShift Basis: 1 per dayData Source: (CRG)**Cost Breakdown:**

		<u>Utilization %</u>
Ownership Cost/Hour:	<u>\$43.25</u>	<u>NA</u>
Operating Cost/Hour:	<u>\$35.17</u>	<u>100</u>
Ripper own.		
Cost/Hour:	<u>\$0.00</u>	<u>NA</u>
Ripper op. Cost/Hour:	<u>\$0.00</u>	<u>0</u>
Operator Cost/Hour:	<u>\$41.85</u>	<u>NA</u>

Total unit Cost/Hour: \$120.27Total Fleet Cost/Hour: \$120.27**MATERIAL QUANTITIES**Initial Volume: 10,000Swell factor: 1.000Loose volume: 10,000 LCYSource of estimated volume: Division of Reclamation, Mining & SafetySource of estimated swell factor: Cat Handbook**HOURLY PRODUCTION**Average push distance: 50 feetUnadjusted hourly production: 444.6 LCY/hrMaterials consistency description: Compacted fill or embankment 0.9Average push gradient: 0 %Average site altitude: 8,350 feetMaterial weight: 2,900 lbs/LCYWeight description: Decomposed rock - 50% Rock, 50% EarthJob Condition Correction FactorSource

Operator Skill:	1.000	(EXCL.)
Material consistency:	0.900	(CAT HB))
Dozing method:	1.000	(GEN.)
Visibility:	1.000	(AVG.)
Job efficiency:	0.830	(1 SHIFT/DAY)
Spoil pile:	0.800	(FND-RF)
Push gradient:	1.000	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	0.793	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.4739

Adjusted unit
production: 210.70 LCY/hr
Adjusted fleet
production: **210.7** LCY/hr

JOB TIME AND COST

Fleet size: 1 Dozer(s)
Unit cost: \$0.571/LCY

Total job time: **47.46** Hours
Total job cost: **\$5,708**

REVEGETATION WORKTask description: **Revegetation (approx. 7 acres currently disturbed)**Site: **Rudibaugh Pit**Permit Action: 2017-06-16 UpdatePermit/Job#: M1995057**PROJECT IDENTIFICATION**Task #: 03AState: ColoradoAbbreviation: NoneDate: 6/16/2017County: GunnisonFilename: M057-03aUser: DMCAgency 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
Disc harrowing, 6" deep (MEANS 32 91 13.23 6100)	\$106.29
Total Tilling Cost/Acre	\$106.29

SEEDING

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost /Acre
Orchardgrass - Latar	1.20	14.88	\$3.95
Ryegrass, Perennial - Belramo	1.20	6.80	\$1.81
Smooth Brome - Lincoln	2.60	8.65	\$11.05
Yellow Sweet Clover - Madrid	0.50	2.98	\$1.42
Tall Fescue - Maxim Blend (Dwarf)	1.20	6.25	\$2.78
Totals Seed Mix	6.70	39.57	\$21.01

Application

Description	Cost /Acre
Drill Seeding (DRMS Survey Cost)	\$232.00

Total Seed Application Cost/Acre	\$232.00
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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:	<u>7</u>	Cost /Acre:	<u>\$359.30</u>
Estimated Failure Rate:	<u>25%</u>	Cost /Acre*:	<u>\$359.30</u>
*Selected Replanting Work Items:	<u>TILLING, SEEDING</u>		
Initial Job Cost:	<u>\$2,515.10</u>		
Reseeding Job Cost:	<u>\$628.78</u>		
Total Job Cost:	<u>\$3,144</u>		
Job Hours:	<u>10.00</u>		

EQUIPMENT MOBILIZATION/DEMOBILIZATIONTask description: Mobilize reclamation equipment/crewSite: Rudibaugh PitPermit Action: 2017-06-16 UpdatePermit/Job#: M1995057**PROJECT IDENTIFICATION**

Task #: 04A State: Colorado Abbreviation: None
 Date: 6/16/2017 County: Gunnison Filename: M057-04a
 User: DMC

Agency or organization name: DRMS**EQUIPMENT TRANSPORT RIG COST**

Shift basis: 1 per day
 Cost Data Source: CRG Data

Truck 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 D6T LGP	26.87	\$43.25	\$117.55	1	\$160.80	\$117.55	\$250.00
Drill/Broadcast Seeder with Tractor	25.00	\$12.22	\$88.67	1	\$100.89	\$88.67	\$250.00
Subtotals:					\$261.69	\$206.22	\$500.00

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.	\$12.26	1	\$12.26	\$12.26
Subtotals:			\$12.26	\$12.26

EQUIPMENT HAUL DISTANCE and Time

Nearest Major City or Town within project area region:	<u>GUNNISON</u>	
Total one-way travel distance:	<u>18.00</u>	miles
Average Travel Speed:	<u>45.00</u>	mph

Total Non-Roadable Mob/Demob Cost *	<u>\$1,897.71</u>
** two round trips with haul rig:	
Total Roadable Mob/Demob Cost **	<u>\$9.81</u>
** one round trip, no haul rig:	

Transportation Cycle Time:

	Non-Roadable Equipment	Roadable Equipment
Haul Time (Hours):	<u>0.40</u>	<u>0.40</u>
Return Time (Hours):	<u>0.40</u>	<u>0.40</u>
Loading Time (Hours):	<u>0.50</u>	<u>NA</u>
Unloading Time (Hours):	<u>0.50</u>	<u>NA</u>
Subtotals:	<u>1.80</u>	<u>0.80</u>

JOB TIME AND COST

Total job time:	<u>3.60</u>	Hours
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Total job cost:	<u>\$1,908</u>
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