



COLORADO

Division of Reclamation,
Mining and Safety

Department of Natural Resources

1313 Sherman Street, Room 215
Denver, CO 80203

August 30, 2017

Daniel Pokrajac
PEPS Transport of Colorado LLC
22419 CR G
Cortez, CO 81321

Re: Cortez Pit, Permit M-1976-059, Succession of Operators Awaiting Warranty Notification, Revision SO-2

Daniel Pokrajac:

On August 30, 2017, the Division of Reclamation, Mining and Safety completed the review of the Transfer of Permit and Succession of Operator (SO) application submitted to the Division on May 18, 2017 and called complete on July 24, 2017.

On the SO application form, the right to a 30 day decision was waived, allowing the Division to inspect the site and recalculate the bond required to finalize approval of the transfer. The estimated liability of the reclamation bond has been calculated to be **\$2,517.00**. Please find the enclosed Reclamation Cost Estimate Worksheets for details of staff calculations.

The new operator must provide the full financial warranty within **60 days of the date of this letter** in order for the Division to finalize the SO. **The financial warranty must be received and accepted by the Division no later than Friday October 27, 2017.** In the event PEPS Transport of Colorado LLC fails to provide the required bond within 60 days, the SO application will be denied, Skanska USA Civil Division West, RMD, Inc. will continue to be the Permittee of record, and be responsible for the financial warranty.

The transfer of Permit M-1976-059 will not be final until the bond submitted by the new operator is approved by the Division. The current bond will be returned when the SO has been finalized. 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 and performance warranties. Any questions regarding completion, execution and/or submittal of financial and/or performance warranty forms should also be directed to Barbara Coria.

If you require additional information, or have questions or concerns, please feel free to contact me at the Division's Grand Junction Field Office, by phone at (970)-243-6368 or by email at lucas.west@state.co.us.



Sincerely,



Lucas West

Environmental Protection Specialist
Division of Reclamation, Mining and Safety
1313 Sherman Street, Room 215
Denver, CO 80203
Phone: (970) 243-6368

Cc: Tim Mahoney, Skanska USA, Civil Division West, RMD, Inc.
Russ Means, Senior Environmental Protection Specialist
Barbara Coria, DRMS Bonding Specialist

Enclosure: Reclamation Cost Estimate Worksheets



COST SUMMARY WORK

Task description: Cost Summary

Site: Cortez Pit

Permit Action: 2017 Update

Permit/Job#: M1976059

PROJECT IDENTIFICATION

Task #: 000

State: Colorado

Abbreviation: None

Date: 8/30/2017

County: Montezuma

Filename: M059-000

User: LJW

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
001	Revegetate sloped areas around benches	REVEGE	1	8.00	\$1,450.00
002	Mob and Demob	MOBILIZE	1	2.73	\$776.00
<u>SUBTOTALS:</u>				10.73	\$2,226

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance: 2.02

Total = \$44.97

Performance bond: 1.05

Total = \$23.37

Job superintendent: 0.00

Total = \$0.00

Profit: 10.00

Total = \$222.60

TOTAL O & P = \$290.94

CONTRACT AMOUNT (direct + O & P) = \$2,516.94

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: 0.00

\$0.00

CONTINGENCY: 0.00

Total = \$0.00

TOTAL INDIRECT COST = \$290.94

TOTAL BOND AMOUNT (direct + indirect) = \$2,516.94

EQUIPMENT MOBILIZATION/DEMOBILIZATIONTask description: **Mob and Demob**Site: **Cortez Pit**Permit Action: **2017 Update**Permit/Job#: **M1976059****PROJECT IDENTIFICATION**Task #: **002**State: **Colorado**Abbreviation: **None**Date: **8/30/2017**County: **Montezuma**Filename: **M059-002**User: **LJW**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/uni t	Fleet Size	Haul Trip Cost/hr/ fleet	Return Trip Cost/hr/ fleet	DOT Permit Cost/ fleet
Drill/Broadcast Seeder with Tractor	25.00	\$12.22	\$88.67	1	\$100.89	\$88.67	\$250.00

Subtotals: **\$100.89** **\$88.67** **\$250.00****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:	CORTEZ	
Total one-way travel distance:	5.50	miles
Average Travel Speed:	30.00	mph

Total Non-Roadable Mob/Demob Cost *	\$771.29
** two round trips with haul rig:	
Total Roadable Mob/Demob Cost **	\$4.50
** one round trip, no haul rig:	

Transportation Cycle Time:

	Non-Roadable Equipment	Roadable Equipment
Haul Time (Hours):	0.18	0.18
Return Time (Hours):	0.18	0.18
Loading Time (Hours):	0.50	NA
Unloading Time (Hours):	0.50	NA
Subtotals:	1.37	0.37

JOB TIME AND COST

Total job time:	2.73	Hours
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Total job cost:	\$776
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REVEGETATION WORKTask description: Revegetate sloped areas around benchesSite: Cortez PitPermit Action: 2017 UpdatePermit/Job#: M1976059PROJECT IDENTIFICATIONTask #: 001State: ColoradoAbbreviation: NoneDate: 8/30/2017County: MontezumaFilename: M059-001User: LJWAgency or organization name: DRMSFERTILIZING**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 - Native	2.00	6.47	\$14.00
Crested Wheatgrass - Standard	3.00	13.77	\$11.25
Yellow Sweet Clover - Madrid	2.00	11.94	\$5.66
Western Wheatgrass - Native	7.00	17.68	\$49.00
Totals Seed Mix	14.00	49.86	\$79.91

Application

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Description	Cost /Acre
Broadcast seeding [DMG]	\$267.22
Total Seed Application Cost/Acre	\$267.22

MULCHING and MISCELLANEOUS**Materials**

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
Hay, delivered {MEANS 31 25 14.16 1200}	2.00	TON	\$261.00	\$522.00
Total Mulch Materials Cost/Acre				\$522.00

Application

Description	Cost /Acre
Crimping, with tractor {DMG survey data}	\$66.02
Weed spray, hand, non-aquatic area, nox. [DMG]	\$180.00
Total Mulch Application Cost/Acre	\$246.02

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:	1.3	Cost /Acre:	\$1,115.15
Estimated Failure Rate:	20%	Cost /Acre*:	\$0.00
*Selected Replanting Work Items:	NONE		
Initial Job Cost:	\$1,449.70		
Reseeding Job Cost:	\$0.00		
Total Job Cost:	\$1,450		
Job Hours:	8.00		