



MINERALS PROGRAM INSPECTION REPORT

PHONE: (303) 866-3567

The Division of Reclamation, Mining and Safety has conducted an inspection of the mining operation noted below. This report documents observations concerning compliance with the terms of the permit and applicable rules and regulations of the Mined Land Reclamation Board.

MINE NAME: Larimer Pit	MINE/PROSPECTING ID#: M-1974-069	MINERAL: Sand and gravel	COUNTY: Larimer
INSPECTION TYPE: Surety Release Inspection	INSPECTOR(S): Amy Eschberger	INSP. DATE: May 12, 2020	INSP. TIME: 10:00
OPERATOR: Loveland Ready-Mix Concrete, Inc.	OPERATOR REPRESENTATIVE: None	TYPE OF OPERATION: 112c - Construction Regular Operation	
REASON FOR INSPECTION: Surety Release Requested	BOND CALCULATION TYPE: None	BOND AMOUNT: \$546,800.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: May 18, 2020	

GENERAL INSPECTION TOPICS

This list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each. No problems or possible violations were noted during the inspection. The mine operation was found to be in full compliance with Mineral Rules and Regulations of the Colorado Mined Land Reclamation Board for the Extraction of Construction Materials and/or for Hard Rock, Metal and Designated Mining Operations. Any person engaged in any mining operation shall notify the office of any failure or imminent failure, as soon as reasonably practicable after such person has knowledge of such condition or of any impoundment, embankment, or slope that poses a reasonable potential for danger to any persons or property or to the environment; or any environmental protection facility designed to contain or control chemicals or waste which are acid or toxic-forming, as identified in the permit.

(AR) RECORDS----- <u>N</u>	(FN) FINANCIAL WARRANTY----- <u>N</u>	(RD) ROADS----- <u>Y</u>
(HB) HYDROLOGIC BALANCE----- <u>N</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>N</u>
(PW) PROCESSING WASTE/TAILING---- <u>N</u>	(SF) PROCESSING FACILITIES----- <u>N</u>	(TS) TOPSOIL----- <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>N</u>	(RV) REVEGETATION---- <u>N</u>
(SM) SIGNS AND MARKERS----- <u>Y</u>	(SP) STORM WATER MGT PLAN---- <u>N</u>	(RS) RECL PLAN/COMP-- <u>Y</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</u>	(SC) EROSION/SEDIMENTATION--- <u>N</u>	(ST) STIPULATIONS----- <u>N</u>
(AT) ACID OR TOXIC MATERIALS----- <u>N</u>	(OD) OFF-SITE DAMAGE----- <u>N</u>	

Y = Inspected and found in compliance / N = Not inspected / NA = Not applicable to this operation / PB = Problem cited / PV = Possible violation cited

OBSERVATIONS

This was a release inspection of the Larimer Pit (Permit No. M-1974-069) conducted by Amy Eschberger of the Division of Reclamation, Mining and Safety (Division) in response to an Acreage Reduction request (AR-03) filed with our office on April 21, 2020. The Division received one comment on AR-03 within the public comment period that closed on May 8, 2020, from Division of Water Resources (DWR; see enclosed). The Larimer Pit is located at the southwestern edge of Loveland, CO in Larimer County. The site is situated between Namaqua Ave. (to the west) and Wilson Ave. (to the east), and the Barnes Ditch (to the north) and W Co Rd 20 (to the south). Access to the site is from the west off Namaqua Ave. **Photos 1-8** taken during the inspection are included with this report. The operator was unable to attend the inspection.

This is a 112c operation permitted for 224.25 acres to mine sand and gravel. The site is bisected by the Big Thompson River. The affected lands are owned by the operator and Big Thompson Farms. The site was mined through a series of 20 cells/pits, some of which have been released from the permit. The current permit area includes five cells north of the river (7, 8, 14, 18, 19) and eight cells south of the river (1, 2, 3, 4, 5, 6, 20, 21). The newest mining area Cell 21 was added to the permit through Amendment No. 3 (AM-03), approved in 2016. An approximately 33 acre area located in the western portion of the permit area, south of the river, includes a concrete batch plant, a truck scale, office buildings, a material processing plant, and stockpiling/equipment storage areas. One must pass through this area to access the rest of the permit area.

Mining has been completed in the majority of the site, and the mining cells are in various stages of reclamation. Most recent mining activities occurred in the portion of the site located south of the river, in Cell 20. The operation will next move into Cell 21 (located south of Cell 20) after installing a visual/screening berm around the area per the City's buffer requirements. The operation dewateres a mining area prior to excavating below the groundwater table. Groundwater is pumped from dewatering trenches constructed around the perimeter of the mining area, and discharged to an adjacent pond. No water will be returned directly to the river, therefore, a discharge permit will not be required from CDPHE. The maximum mining depth at the site is approximately 24 feet. Mined material is processed on site at the existing crushing, washing, and sizing plant. Processed material is temporarily stockpiled in the plant area until needed.

The approved post-mining land use for the site is a combination of developed water resource, industrial/commercial, recreation, and wildlife habitat. The approved reclamation plan includes leaving a series of open meadows, wetlands, and ponds interconnected by landmasses for roadways, open areas, and areas for camping, hiking, and fishing. The current plan calls for completely backfilling some of the cells and partially backfilling others. All disturbed land, including pond slopes down to 10 feet below the water line, will be graded to 3H:1V or flatter. The backfilled portions of the cells and all other disturbed land will be retopsoiled at a depth of 6 inches, and revegetated with a drought-tolerant native grass seed mixture. Existing haul roads will remain after reclamation for continued access to the ponds and property maintenance. The 33-acre batch plant/office building/storage area will remain for industrial/commercial use (a non-conforming land use approved by the county). No structures will be demolished for reclamation.

After the last inspection was conducted on January 16, 2020, the Division reassessed the required financial warranty for completing reclamation of the site in accordance with the approved plan. The Division's estimate included costs for backfilling some of the cells to leave the pond size specified in the reclamation plan, retopsoiling and revegetating backfilled areas and other disturbed areas, interseeding portions of the site where the desired vegetative cover has not been fully achieved, and reclaiming Cell 21, including installing the shalestone liner. The Division's initial bond estimate showed the required financial warranty for the site to be in the amount of \$2,410,332.00, which was \$1,863,532.00 more than the currently held financial warranty of \$546,800.00. Therefore, a problem was cited in the last inspection report, giving the operator 30 days to review

the bond estimate and provide any comments prior to the notice of surety increase being issued. After reviewing the operator's comments on the bond estimate received on March 16, 2020, the Division recalculated the bond and determined the required financial warranty to be in the amount of \$1,066,209.00, which is \$519,409.00 more than the currently held financial warranty. A Surety Increase (SI-02) was issued for the site on March 24, 2020, giving the operator 60 days to post the additional required financial warranty of \$519,409.00, due by May 23, 2020.

The operator submitted Technical Revision No. 3 (TR-03) with the required fee on April 24, 2020 to revise the reclamation plan and mining and reclamation plan maps to reflect the revised permit boundary proposed in AR-03 and existing conditions at the site, including final mining cell sizes (with demonstration of compliance with DWR for the amount of exposed groundwater to remain). TR-03 proposes leaving all pond sizes as-is with no additional backfilling required for reclamation. The operator has demonstrated the existing amount of groundwater exposed at the site is either covered by the pre-1981 exemption or by the operator's plan for augmentation. The Division estimated total groundwater exposure at the site to consist of approximately 47 acres, which is less than the 52.29 acres authorized by DWR. Therefore, it appears the operation is in compliance with DWR with respect to the amount of exposed groundwater at the site. This means the changes to the reclamation plan proposed in TR-03, including leaving the existing ponds at their current size without additional backfilling, are consistent with the water rights in place for the site. TR-03 is currently under review by the Division. A revised bond estimate will be calculated and sent to the operator under the adequacy review process for TR-03. The current decision date for TR-03 is May 25, 2020.

The focus of this inspection was on the northeastern portion of the permit area proposed for release in AR-03. The Division accessed this area from Wilson Ave. AR-03 proposes releasing 1.485 acres (undisturbed by the operation) that have been fenced off for parking, drainage, and trail easements granted to the City of Loveland in early 2019. The area proposed for release includes a small paved parking area, a concrete pedestrian trail, and a drainage swale (which runs along the western edge of the parking area and connects to the roadside ditch along Wilson Ave). The parking lot and pedestrian trail were in use by the public during the inspection. A wooden fence has been installed along the western edge of the area proposed for release. Therefore, this fence delineates the new eastern permit boundary for the mine site in this area. A locked access gate is installed at the western edge of the parking area, which accesses the northeastern portion of the permit area. Private property/no trespassing signage has been placed on the gate and along the wooden fence delineating the western edge of the area proposed for release. The southern edge of the area proposed for release terminates just north of the river, where the concrete pedestrian trail jogs east beneath the Wilson Ave. bridge. Signage has been placed along the pedestrian trail indicating the new trail is part of the City's Big Thompson River Trail project. No issues were observed in the area proposed for release.

The Division has determined the 1.485-acre area proposed for release (rounded to 1.49 acres) can be released from the permit area in accordance with the approved recreational post-mining land use. Therefore, AR-03 was approved on May 15, 2020, leaving a total permit area of 222.76 acres (see enclosed map showing revised permit boundary). The operator will need to submit to the Division an updated structure agreement with the City of Loveland for the new permanent, man-made structures constructed within 200 feet of the approved affected lands (e.g., parking lot, access road, concrete trail, fencing). A structure agreement form is enclosed.

This concludes the report.

Any questions or comments regarding this inspection report should be forwarded to Amy Eschberger at the Colorado Division of Reclamation, Mining and Safety, 1313 Sherman Street, Room 215, Denver, CO 80203, via telephone at 303-866-3567, ext. 8129, or via email at amy.eschberger@state.co.us.

PHOTOGRAPHS



Photo 1. View looking south across area proposed for release from its northern edge, showing concrete pedestrian trail (at left), small paved parking lot (at center), and drainage swale (at right). Note western edge of this area delineated by wooden fence.



Photo 2. View looking south across western edge of area proposed for release, showing small paved parking lot (at left), drainage swale (at center), and wooden fence delineating western edge of this area (at right).



Photo 3. View looking southeast across small paved parking lot constructed by City of Loveland in area proposed for release.



Photo 4. View looking southwest across area proposed for release. Note access gate in background (indicated) which accesses northeastern portion of permit area. "Private property/No trespassing" signage has been placed on gate and along fencing.



Photo 5. View looking north across eastern edge of area proposed for release, showing concrete pedestrian trail constructed by City of Loveland. Wilson Ave is shown at far right.



Photo 6. View looking northwest across area proposed for release (just south of parking lot), showing wooden fence delineating western edge of this area.



Photo 7. View looking south across southern portion of area proposed for release with concrete pedestrian trail. This area terminates just north of the river. Note wooden fence delineating western edge of this area.



Photo 8. View of signage placed by City of Loveland along concrete pedestrian trail indicating the new trail is part of the Big Thompson River Trail project.

Inspection Contact Address


Brad Fancher
Loveland Ready-Mix Concrete, Inc.
P.O. Box 299
Loveland, CO 80537

Encl: Comment from Division of Water Resources, received on May 1, 2020
Exhibit C-1 - Revised Mining Plan Map showing revised permit boundary after AR-03 approval
Structure agreement form

CC: Stephanie Fancher-English, Loveland Ready-Mix Concrete, Inc.
Michael Cunningham, DRMS



Response to Reclamation Permit Partial Acreage Release Request Consideration

DATE: May 1, 2020
TO: Amy Eschberger, Environmental Protection Specialist
FROM: Sarah Brucker, P.E. 
RE: Larimer Pit, File No. M-1974-069 - AR03
Applicant/Operator: Loveland Ready-Mix Concrete, Inc., (970) 667-2680
Sections 15, 16 & 17, Twp 5 North, Rng 69 West, 6th P.M., Larimer County

COMMENTS: The applicant has requested a partial acreage release for 1.485 acres located along the eastern boundary of the Larimer Pit. The land area to be released consists of a parking lot, drainage swale, and pedestrian trail available for public use via an easement granted to the City of Loveland. The area proposed to be released has been fenced off from the rest of the mining area. Approximately 255.55 acres will remain within the mining permit boundary.

This office has no concerns regarding the requested partial acreage release. The Division of Reclamation, Mining and Safety and/or the applicant may contact the State Engineer's Office with any questions.



An example Structure Agreement which meets the requirements of the Statutes is shown below.

Structure Agreement

This letter has been provided to you as the owner of a structure on or within two hundred (200) feet of a proposed mine site. The State of Colorado, Division of Reclamation, Mining and Safety (“Division”) requires that where a mining operation will adversely affect the stability of any significant, valuable and permanent man-made structure located within two hundred (200) feet of the affected land, the Applicant shall either:

- a) Provide a notarized agreement between the Applicant and the Person(s) having an interest in the structure, that the Applicant is to provide compensation for any damage to the structure; or
- b) Where such an agreement cannot be reached, the Applicant shall provide an appropriate engineering evaluation that demonstrates that such structure shall not be damaged by activities occurring at the mining operation; or
- c) Where such structure is a utility, the Applicant may supply a notarized letter, on utility letterhead, from the owner(s) of the utility that the mining and reclamation activities, as proposed, will have “no negative effect” on their utility. (*Construction Materials Rule 6.3.12 and Rule 6.4.19 & Hard Rock/Metal Mining Rule 6.3.12 and Rule 6.4.20*)

The Colorado Mined Land Reclamation Board (“Board”) has determined that this form, if properly executed, represents an agreement that complies with Construction Materials Rule 6.3.12(a), Rule 6.4.19(a), and C.R.S. § 34-32.5-115(4)(e) and with Hard Rock/Metal Mining Rule 6.3.12(a), Rule 6.4.20(a), and C.R.S. § 34-32-115(4)(d). This form is for the sole purpose of ensuring compliance with the Rules and Regulations and shall not make the Board or Division a necessary party to any private civil lawsuit to enforce the terms of the agreement or create any enforcement obligations in the Board or the Division.

The following structures are located on or within 200 feet of the proposed affected area:

- 1. _____
- 2. _____
- 3. _____
- 4. _____
- 5. _____

(Please list additional structures on a separate page)

CERTIFICATION

The Applicant, _____ (print applicant/company name),
by _____ (print representative's name), as _____ (print
representative's title), does hereby certify that _____ (structure owner) shall
be compensated for any damage from the proposed mining operation to the above listed structure(s)
located on or within 200 feet of the proposed affected area described within Exhibit A, of the Reclamation
Permit Application for _____ (operation name),
File Number M-_____-_____.

This form has been approved by the Colorado Mined Land Reclamation Board pursuant to its authority under the Colorado Land Reclamation Act for the Extraction of Construction Materials and the Colorado Mined Land Reclamation Act for Hard Rock, Metal, and Designated Mining Operations. Any alteration or modification to this form shall result in voiding this form.

NOTARY FOR PERMIT APPLICANT

ACKNOWLEDGED BY:

Applicant _____ Representative Name _____

Date _____ Title _____

STATE OF _____)
) ss.

COUNTY OF _____)

The foregoing was acknowledged before me this _____ day of _____, 20____, by
as _____ of _____.

My Commission Expires: _____

Notary Public

NOTARY FOR STRUCTURE OWNER

ACKNOWLEDGED BY:

Structure Owner _____ Name _____

Date _____ Title _____

STATE OF _____)
) ss.

COUNTY OF _____)

The foregoing was acknowledged before me this ____ day of _____, 20____, by
_____ as _____ of _____.

Notary Public My Commission Expires: _____