




**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.

<b>MINE NAME:</b> Pikeview Quarry	<b>MINE/PROSPECTING ID#:</b> M-1977-211	<b>MINERAL:</b> Limestone (general), granite, granite gneiss and dolomite	<b>COUNTY:</b> El Paso
<b>INSPECTION TYPE:</b> Surety-Related Inspection	<b>INSPECTOR(S):</b> Timothy Cazier, P.E., Zach Trujillo	<b>INSP. DATE:</b> November 5, 2020	<b>INSP. TIME:</b> 10:00
<b>OPERATOR:</b> Continental Materials Corporation	<b>OPERATOR REPRESENTATIVE:</b> Jerry Schnabel	<b>TYPE OF OPERATION:</b> 112c - Construction Regular Operation	
<b>REASON FOR INSPECTION:</b> Surety Related	<b>BOND CALCULATION TYPE:</b> Complete Bond	<b>BOND AMOUNT:</b> \$15,000,000.00	
<b>DATE OF COMPLAINT:</b> NA	<b>POST INSP. CONTACTS:</b> None	<b>JOINT INSP. AGENCY:</b> Mined Land Reclamation	
<b>WEATHER:</b> Clear	<b>INSPECTOR'S SIGNATURE:</b> 	<b>SIGNATURE DATE:</b> November 24, 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>Y</u>	(FN) FINANCIAL WARRANTY----- <u>Y</u>	(RD) ROADS----- <u>Y</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>NA</u>
(PW) PROCESSING WASTE/TAILING---- <u>Y</u>	(SF) PROCESSING FACILITIES----- <u>Y</u>	(TS) TOPSOIL----- <u>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>Y</u>	(RV) REVEGETATION---- <u>Y</u>
(SM) SIGNS AND MARKERS----- <u>Y</u>	(SP) STORM WATER MGT PLAN---- <u>Y</u>	(RS) RECL PLAN/COMP-- <u>Y</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</u>	(SC) EROSION/SEDIMENTATION--- <u>Y</u>	(ST) STIPULATIONS----- <u>Y</u>
(AT) ACID OR TOXIC MATERIALS----- <u>NA</u>	(OD) OFF-SITE DAMAGE----- <u>Y</u>	

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

## **OBSERVATIONS**

This inspection was conducted by Tim Cazier (DRMS) as required for the surety reduction request (SR-02) received on September 14, 2020. Mr. Zach Trujillo was also present representing the DRMS. The Permittee was represented by Mr. Jerry Schnabel during the inspection. The Pikeview Quarry is accessed from near the intersection of Centennial Blvd. and Vindicator Dr. north of Colorado Springs. An equipment operator was maintaining a small amount of product stockpiles at the time of the inspection. This is a 112c aggregate mine in final reclamation.

**Availability of Records:** Annual fees are paid through May 2020. The previous inspection was on December 5, 2019. The approved post-mine land use is wildlife habitat and recreation. There are no open infractions. Both the surface and minerals are privately owned.

**Backfilling and Grading:** Backfill material is being imported as approved by TR-19. As part of the grading plan initiated by the City of Colorado Springs, test pits were dug northwest of the existing maintenance shop. No competent bedrock was encountered (to ~ 14 feet deep) and all material had been removed with an excavator (see **Photo 1**). Mr. Schnabel stated the material encountered in the test pits would be acceptable backfill material for the highwall stabilization. Imported material continues to be placed in "Area H" at the toe of the highwall (see **Photo 2**). Mr. Schnabel pointed out a test pit in the backfill placed prior to approval of AM-04 showing no deleterious or oversized material was encountered in the test pit (see **Photo 3**)

**Financial Warranty:** The DRMS holds a \$15,000,000 bond. The approval of AM-04 reduced the required bond to \$13, 389,784. The DRMS process requires a surety reduction be requested to reduce any bond held by the DRMS. Based on this inspection, the DRMS will recommend the bond be reduced to that estimated through the AM-04 approval process.

**Fish and Wildlife:** No impact to wildlife was observed. Some bighorn sheep were observed on the highwall.

**Hydrologic Balance:** No standing water was observed in the pit and no exposed groundwater was observed.

**Gen. Compliance with Mine Plan:** The operation has entered their final reclamation phase. Active excavation for product has ceased, although some sale of processed material in stockpiles will continue until depleted. Mr. Schnabel stated MSHA ceased regulatory oversight the day prior to this inspection. It was noted the crushing and screening equipment observed during previous inspections had been removed (see **Photo 4**). No changes were observed in the highwalls.

**Off-site Damage:** The operation appeared to be confined to the permit boundary, based on Google Earth review and site observations.

**Processing Waste:** No processing waste was observed.

**Roads:** Haul and access roads did not appear to be a source of sediment that could be tracked offsite.

**Right of Entry:** Prior to this inspection, CMC informed the DRMS that a portion of the property had been sold to the City of Colorado Springs. This required an updated right of entry for the portion sold, but still requiring reclamation. Mr. Schnabel provided the DRMS with a copy of the agreement with the city on November 6, 2020.

Revegetation: No noxious weeds were observed.

Sediment Control: No significant erosion problems were observed and no BMPs were needed at the time of the inspection.

Support Facilities On-site: A CAT 980 loader, and dump truck were observed on site. Mr. Schnabel explained he has one equipment operator onsite mixing growth media and dressing product stockpiles.

Signs and Markers: The permit sign was properly posted (see **Photo 5**) and boundary markers were observed on the north end to delineate the permit boundary (see **Photo 6**).

Permit Stipulations: AM-04 approval requires monthly reporting for slope monitoring and backfill placement CQA reporting. The first of these was received by the DRMS on October 30, 2020 and approved by the DRMS.

Storm Water MGT Plan: No oil or fuel spills observed. Stormwater within the pit area drains to the riser area (see **Photo 7**) and is captured by the French drain system. Other stormwater is/or will be either diverted or captured and directed to the three other existing sediment ponds.

Structures: No structures were observed within 200 feet of the affected area. Mr. Schnabel indicated the City is interested in converting the shop building for use associated with the recreational post mining land use. The current reclamation plan requires demolition of this building. If it is to remain, a technical revision will be required to the reclamation plan. Subsequent to approval of such a revision, the Permittee could request a surety reduction for the demolition of the shop, if it is no longer required by the reclamation plan.

Summary: The DRMS recommends approval of the requested surety reduction to that approved in AM-04. We are required to hold the current bond for 30 days in the case an appeal to the reduction request is received. You will be notified under separate cover when the decision is final.

Please contact Tim Cazier (303)866-3567 ext. 8169 or email at [tim.cazier@state.co.us](mailto:tim.cazier@state.co.us) if you have any questions regarding this report.



## **PHOTOGRAPHS**



Photo 1. Typical test pits northwest of existing maintenance shop (looking south).



Photo 2. "Area H" backfill (looking south).



**PHOTOGRAPHS (cont.)**



Photo 3. Test pit in "Area H" backfill (~12 feet deep).



Photo 4. Screen plant, crusher, conveyors removed (looking north from Area H backfill).

**PHOTOGRAPHS (cont.)**



Photo 5. Permit sign (at entrance).



Photo 6. North end boundary marker (looking NW).



**PHOTOGRAPHS (cont.)**



Photo 7. Sediment pond #1 riser pipes (looking east).

**Inspection Contact Address**

Paul Ainsworth  
Continental Materials Corporation  
440 S LaSalle St #3100  
Chicago, IL 60605

ec: Michael Cunningham, DRMS  
Zach Trujillo, DRMS  
DRMS File  
Jerry Schnabel, CMC