

October 6, 2021

To: Douglas Mountain Residents and Others listed in Attachment 1

Re: **AFS Walstrum Spur Amendment**

Dear Sirs & Madams:

We received the letters you submitted on or about September 10, 2021 to the Division of Reclamation, Mining and Safety (DRMS) regarding the Walstrum Spur Amendment. Since the letter was submitted after the public comment period ended, no response is required, however in the interest of transparency, I respectfully provide this written response to address your concerns. In addition, I invite you to meet with me, many of the Frei family, and Albert Frei & Sons (AFS) employees in person on **Wednesday, October 13, 2021 @ 5:30pm** at our office located at 35715 US Hwy 40, Building B, Suite 120, Evergreen, CO 80439. If you need to discuss any matter further, feel free to reach out to me at (720) 739-2053 anytime during and after this permitting process.

My grandfather started Albert Frei & Sons as a sand and gravel business in 1962 on the family farm in Adams County along the South Platte River in Henderson. In 1983, my father opened the Walstrum Quarry in Clear Creek County to serve the growing aggregate demand in the Front Range. Today, our products are used in most aspects of the built environment such as roads like Highway 6, Interstate-70 and local gravel roads, trails, single-family and multi-unit residential units, and commercial/industrial construction projects. In addition, our products are used in many environmental projects such as stream bed restoration and erosion control.

Our homes have a concrete foundation with aggregate. Douglas Mountain Road is a dirt road made of road base. Highway 6 is made of asphalt that contains aggregate. The light rail system in Metro Denver has aggregate ballast. The runways at DIA contain aggregate. Clear Creek improvement projects contain boulders and rip rap. Much of the foregoing contain aggregate from the Walstrum Quarry. The Quarry produces a significant amount of aggregate for the Front Range that is beneficial to the economy and people of Colorado, it is just not always apparent. Having a local source also decreases costs and minimizes environmental impacts from transporting aggregate long distances.

With regard to your letter, let me start by addressing the concerns that are within the jurisdiction of the DRMS and the Colorado Mined Land Reclamation Board (The "MLRB").

Public Notice and Outreach: AFS complied with all the applicable notice requirements as set forth in the Mineral Rules and Regulations of the MLRB, including but not limited to publication once a week for four (4) consecutive weeks in a newspaper of general circulation in the locality of the proposed mining operation, notification to local municipalities within 2 miles (Clear Creek County, Idaho Springs, and Central City), notification to structure owners within 200 feet of the affected area, notification to adjacent landowners, notification to county commissioners, notification to the conservation district, and the placement of a copy of the application with the Clear Creek County Clerk and Recorder. There is no intent to hide the Spur Amendment from the community and surrounding areas. AFS will conduct public outreach meetings with the surrounding community during the Clear Creek County ODP amendment process where local land use issues are addressed.

Reclamation and Revegetation: To date, 26 acres have been reclaimed to their final state with high quality restoration. As detailed in the mining application – Exhibit D Mining Plan, the Quarry had to perform mining from the bottom-up in order to create a plant location. This meant that the face mined today would be mined tomorrow and reclamation of the existing slopes would be pointless since it would be removed shortly thereafter. Approximately six years ago, the mining reached the lateral extent of the mining boundary and began reclamation

on the higher benches. All of the 26 acres reclaimed have been reclaimed in the last 6 years. AFS is and will perform concurrent reclamation of mining areas on an ongoing basis minimizing areas of disturbance at a given time. The Spur Amendment area will be visible from some houses on Douglas Mountain. Now that the quarry floor has been developed, new affected lands will be mined from the top-down meaning the top benches will be reclaimed shortly after they are mined. As mining and reclamation are complete the working faces will fall below the canyon rims and mining activity will be buffered by natural landforms.

AFS currently invests significant capital per year on its very extensive reclamation methods. Reclamation involves intensive earth moving, growth medium placement, texturing for erosion control/moisture retention, seeding, planting, and weed control. Weeds are individually managed to protect the quality of the forage.

AFS uses a specialized reclamation contractor to plant and manage the reclaimed slopes. The seed mix used was developed over several years specifically for this site and takes in to account the soil and reflects the native species that are known to be successful in the area. Currently, reclaimed areas in the Quarry have a mix of graminoids, forbs, and woody species including Mountain Mahogany which provides winter browse for Bighorn Sheep. Special attention and investments are deployed to transplant established plants into the slopes, in a concentrated effort to create new habitat for wildlife in the area - specifically, the Bighorn Sheep.

Wildlife – Bighorn Sheep: As detailed in the mining application Exhibit E Reclamation Plan, there were no Bighorn Sheep on this property before mining began in 1983. When the Quarry was started and other lands acquired, the exclusion of livestock and domestic sheep was made a priority. In the mid-1980's, Colorado Parks and Wildlife transplanted a small herd of Bighorn Sheep to this area. The Bighorn Sheep numbers have grown to over 70 during certain times of the year due to limited access to people, no domestic/sheep cohabitation, and, more recently, the creation of high-quality habitat that provides forage and escape terrain. The Sheep are observed on a daily basis in the operations area of the Quarry and on the surrounding slopes. Bighorn Sheep regularly use the Quarry for rutting, grazing, and resting. Steep walls at the entrance of the Quarry are used for the Fall rut and harem protection. The core habitat of Bighorn Sheep are areas with rocky outcroppings on slopes greater than 27 degrees and include habitat up to 1,000ft from the edges of steep slopes. As a result of the health of the S32 Georgetown Bighorn Sheep herd, it was chosen for translocation to other areas of Colorado and nearby states 15 times between 1986 and 2003 for a total of 323 sheep transported. With the addition of the Spur Amendment, 255 acres will be set aside as wildlife habitat (undisturbed area).

The following concerns identified in your letters are outside the jurisdiction of the MLRB, but are addressed here nonetheless for your reference:

Section 35 Fill Area: In 2007, the MLRB issued a Declaratory Order excluding the Section 35 area from the permit area. This area is covered under a Special Use Review permit issued by Gilpin County at that time. As a result, this area is outside the affected lands of the Walstrum Quarry. The proposed affected lands in the Spur Amendment are not within Gilpin County. It should be noted that this Gilpin site has been in operation for 14 years and is nearing completion. Early stages of final reclamation have started and will continue to progress. Future fines storage is planned for the floor of the Existing Quarry.

The following significant changes made at the Quarry and changes occurring in the aggregate market leads AFS to believe that the need for fines storage will be much less in the future:

- Recycled concrete has become a finite resource and consumers are now relying on quarries to supply their sub-base need;
- In the last five years, AFS has pioneered significant research and development relating to the washing of these fine aggregates. The asphalt industry has responded by now incorporating these products into their mixes due to their performance and specification requirements;
- Due to the depletion of alluvial aggregates along the Front Range, fine aggregates from quarries are now cost-effective replacement for alluvial aggregates due to supply, demand, and transportation costs. Concrete producers are now beginning to incorporate this manufactured sand into their ready-mix designs;

- As the Walstrum Quarry has matured, real estate in the quarry floor is now available to store these fine aggregates, and AFS will be able to meet the market needs by stockpiling and selling these aggregates;
- Now that the Quarry has reached its permit boundaries, AFS is able to mix these fine aggregate into our growth medium and place on completed benches as seedbeds for reclamation; and
- The geology of the Spur area has been identified as a highly competent resource and AFS anticipates that our fine aggregate generation will be cut in half if the Spur is permitted.

Truck Traffic: The Spur Amendment permitting process is not changing the amount of truck trips currently approved under current CDOT permits. Highway 6 is a highly effective haul route for our customers and products and has been the primary haul route for the Quarry since 1983 because of the moderate grade compared to the steep grades on I-70. Furthermore, AFS collaborated with CDOT to add an I-70 eastbound onramp at the bottom of Floyd Hill as part of the Floyd Hill to Veterans Memorial Tunnel's improvement project. While it is likely more trucks leaving the Quarry will use this new route when completed, both haul routes are publicly available routes to all users of CDOT thoroughfares. The trucking companies' choice in haul routes is entirely dictated by safety, efficiencies, and delivery locations.

For awareness, Highway 6 is located today on a historic rail line bed from 1872. The rail line provided an economic and reliable form of transportation carrying mining ore, miners, tourists and goods to and from the historic mining districts of Clear Creek and Gilpin County much like Highway 6 does today.

Dust: AFS has in place an approved facility air permit that places stringent limits on the Quarry. Dust control measures such as enclosing the primary crusher plant, crusher water sprays, screen water sprays, road sweeping, and road watering are employed daily. The pictures that you provided showing dust from the Gilpin County fill pile are what we strive to prevent. The pictures appeared to be taken on a very windy day. There are four measures we take to avoid dust: (i) we don't haul fines to the fill pile when there are high winds; (ii) we water the top of the fill pile; (iii) we apply a dust suppressant to the top of the fill pile; and (iv) we place growth medium on top of the fill pile. Most days, these measures are effective and little to no dust is visible. In the near future, this area will be reclaimed, which will further reduce dust potential.

Stormwater Discharge: As detailed in our mining application Exhibit G Water, the Walstrum Quarry has little to no impact on the water quality of Clear Creek and North Clear Creek. Stormwater from the Quarry is captured in natural ponding areas in low areas of the Quarry, and discharges are rare. The pictures provided with your letter show an area on North Clear Creek. As you are likely aware, the September 13, 2013 flood was a catastrophic, isolated 100-year flood event, act of nature, that caused catastrophic problems at hundreds of sites across the Front Range including loss of life and damage to property. AFS quickly executed in all its capacity to report, manage, mitigate, and rectify this unique natural disaster. AFS collaborated with Gilpin County, the Clear Creek Watershed Foundation, US Army Corp of Engineers, a Certified Contractor, and RMC Consultants to perform remediation of North Clear Creek. In all, AFS funded this project with no State emergency funding used. The area recovered shortly thereafter.

View Shed: Once we move into the Spur Amendment area, mining will be visible initially, but then we will move below the view corridor behind the natural site berms. Mining progresses gradually and limited areas will be disturbed at a given time and reclamation on the upper benches will be occurring concurrently. We have intentionally located in a remote corner of Clear Creek County and behind large sight berms to minimize the view shed impacts for the natural resource upon which we are located. The remoteness of the operation as well as the close proximity to the final product destination (Denver Metro/Front Range) make this location ideal.

Noise: The existing Quarry meets all standard and local ambient noise standards and operations in the Spur Amendment area will continue to do so as well. AFS employs the following best management practices to further mitigate noise: (i) large sight berms along Highway 6 that act as effective noise barriers; (ii) use of modern detonation delays in blasting activities; (iii) enclosed screening and crushing equipment; (iv) use of synthetic

screening media rather than steel; (v) use of modern mobile equipment deploying the use of muffled exhaust systems; and (vii) concerted effort to invest in and acquire buffer lands between the Quarry and neighbors.

I would also like to take this opportunity to share some of the positive impacts we have on our community. AFS is the 3rd largest taxpayer in the County, one of the top employers of highly compensated employment, and a significant corporate partner to many of the public, private and non-profit agencies in and around Clear Creek County. A list of projects and partners can be accessed on the website provided below, but there are a couple I want to specifically call to your attention as they may directly affect you:

- Peaks to Plains Trail: AFS collaborated with Clear Creek County to acquire the final alignment of the trail which at that time was privately held by AFS. Thanks to this collaboration, the continuous trail is now a reality. Further, given AFS' close proximity to the trail, AFS supplied much of the aggregate material needed for this Trail in both Clear Creek County and Jefferson County.
- Clear Creek Watershed: AFS has collaborated with the Clear Creek Watershed Association, CPW (Fishing is Fun Program), Golden Chapter Trout Unlimited, and Central City to improve the watershed. Some of the notable projects include the donation of material for upstream mine remediation which contributed to better water quality. Donation of material to improve stream access within the Clear Creek corridor under Fishing is Fun Grants. Donation of material to install new aquatic habitat throughout the Canyon corridor which created better habitat and structure for all aquatic species including anglers. Lastly, AFS partnered with Central City to remove thousands of tons of historical dredge tailings from the watershed. Today these areas now serve as wetlands to the watershed.

In summary, the Walstrum Quarry has positive and negative impacts on the local and regional economy and communities. However, we do everything we can to mitigate and minimize the negative impacts. We are proud of our Quarry and how we operate it.

For more detailed information on AFS and the Spur Amendment, please visit our project website which will continue to be updated as the project progresses at: www.walstrumspuramendment.com. We strive for dissemination of accurate information and transparency and welcome any questions you may have. Also, it would be my pleasure to provide you with a tour of the Quarry if you would be so inclined to check it out.

We look forward to meeting you in person on Wednesday, October 13, 2021, but in the meantime, should you have any further questions on the responses provided herein, please feel free to email us directly at walstrumspuramendment@albertfreiandsons.com.

Very truly,



Al Frei, Jr.,
President,
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Enclosure: Attachment 1: Response letter addressees

ATTACHMENT 1

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