



June 9, 2023

Richard Bassi
Bassi North Farm, LLC
2045 Lake Ave
Pueblo, CO 81004

RE: North Farm Road Gravel Pit, Permit No. M-2000-110, Estimated Reclamation Costs Update

Dear Mr. Bassi:

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).

Division calculations estimate the cost to reclaim the above referenced site to be \$35,449. This is an increase of \$8,403 over the \$27,046 currently held by the Division. This estimate is based on conditions observed during the April 11, 2023 inspection. Please review the enclosed figures as soon as possible and contact our office if any calculation errors are noted.

The estimated reclamation cost was last calculated in August of 2017. Per rule 4.2.1(2) the estimation is periodically updated to ensure that the Division holds a sufficient sum to cover the cost of reclamation. The increase in the financial warranty is due to increases in the cost of fuel, equipment, and labor since the last adjustment.

If no comments are received by August 10, 2023 then it is the Division's understanding that the operator has no objections to the bond calculated on June 9, 2023 for the amount of \$35,449 according to the current permit conditions. At that time a Notice for Surety Increase will be issued for the above amount as required by the Act and Rules.

If you require additional information, or have questions or concerns, please feel free to contact me.

Sincerely,

Todd Jesse
Environmental Protection Specialist
Department of Natural Resources

Cc:
Travis Marshall, Senior EPS, Grand Junction DRMS

Enc: Financial Warranty Cost Estimate



COST SUMMARY WORK

Task description: Summary

Site: N Farm Rd Pit No 1

Permit Action: 2023 update

Permit/Job#: M1977140

PROJECT IDENTIFICATION

Task #: 000

State: Colorado

Abbreviation: None

Date: 6/8/2023

County: Rio Grande

Filename: M140-000

User: TJ1

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
01a	Demolish and dispose of concrete and steel structures	DEMOLISH	1	15.00	\$1,464
02a	Grade processing area after debris burial	DOZER	1	7.48	\$2,072
03a	Rip compaction in processing area	RIPPER	1	8.88	\$2,525
04a	Carry topsoil to be spread	LOADER	1	33.20	\$4,142
05a	Spread topsoil on areas to be revegetated	DOZER	1	13.98	\$3,870
06a	Revegetate disturbed areas	REVEGE	1	16.00	\$13,868
07a	Haul reclamation equipment to and from site	MOBILIZE	1	2.57	\$1,670
<u>SUBTOTALS:</u>				97.11	\$29,611

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance: 2.02

Total = \$598

Performance bond: 1.05

Total = \$311

Job superintendent: 48.55

Total = \$3,648

Profit: 10.00

Total = \$2,961

TOTAL O & P = \$7,518

CONTRACT AMOUNT (direct + O & P) = \$37,129

LEGAL - ENGINEERING - PROJECT MANAGEMENT:

Financial warranty processing (legal/related costs): \$500

Total = \$500

Engineering work and/or contract/bid preparation: 0.00

Total = \$0

Reclamation management and/or administration: 5.00

\$1,856

CONTINGENCY: 0.00

Total = \$0

TOTAL INDIRECT COST = \$9,874

TOTAL BOND AMOUNT (direct + indirect) = \$39,485

DEMOLITION WORK

Task description: Demolish and dispose of concrete and steel structures

Site: N Farm Rd Pit No 1

Permit Action: 2023 update

Permit/Job#: M1977140

PROJECT IDENTIFICATION

Task #: 01A

State: Colorado

Abbreviation: None

Date: 6/8/2023

County: Rio Grande

Filename: M140-01a

User: TJ1

Agency or organization name: DRMS

UNIT COSTS

Location adjustment: 91.60 %

Structure or Item Description	Dimensions	Demolition Menu Selection	Quantity	Unit	Unit Cost	Total Cost
Concrete tunnel with foundation	10 cy	Push demolished materials/rubble/debris into pit - Max. 100 ft. push	10.00	CY	\$1.06	\$10.59
Batch plant conveyor leg fdns.	7 cy	Push demolished materials/rubble/debris into pit - Max. 100 ft. push	7.00	CY	\$1.06	\$7.41
Slab under batch plant tail pulleys	8 cy	Push demolished materials/rubble/debris into pit - Max. 100 ft. push	8.00	CY	\$1.06	\$8.47
East retaining wall - batch plant	4 cy	Push demolished materials/rubble/debris into pit - Max. 100 ft. push	4.00	CY	\$1.06	\$4.24
West retaining wall - batch plant	17 cy	Push demolished materials/rubble/debris into pit - Max. 100 ft. push	17.00	CY	\$1.06	\$18.00
Brick sand bin - walls	11 cy	Push demolished materials/rubble/debris into pit - Max. 100 ft. push	11.00	CY	\$1.06	\$11.65
Brick sand bin - slab	9 cy	Push demolished materials/rubble/debris into pit - Max. 100 ft. push	9.00	CY	\$1.06	\$9.53
2 conveyors - demolish and load	50 LF	OBSOLETE-Conveyor, overland, including supports - 5 ft. W x 6 ft. H housing	50.00	LF	\$17.60	\$880.00
Excavate pit for concrete disposal	66 cy	Excavate disposal pit with dozer (includes completed pit backfilling/grading)	66.00	CY	\$1.92	\$126.72
2 conveyors - haul to dump	50 miles	Hauling only, per mile, 12-18 CY truck - 50 mph average speed	50.00	MI	\$3.78	\$189.00
2 conveyors - dump fee	30 cy	Dump fees - Building construction materials.	30.00	CY	\$11.10	\$333.00

Job Hours:	15.00	Subtotal		Total Cost	
		(unadjusted):	\$1,598.61	(adjusted for	
				location):	\$1,464.33

BULLDOZER WORKTask description: **Grade processing area after debris burial**Site: **N Farm Rd Pit No 1**Permit Action: **2023 update**Permit/Job#: **M1977140****PROJECT IDENTIFICATION**Task #: **02A**State: **Colorado**Abbreviation: **None**Date: **6/8/2023**County: **Rio Grande**Filename: **M140-02a**User: **TJ1**Agency or organization name: **DRMS****HOURLY EQUIPMENT COST**Basic Machine: **Cat D8T - 8SU**Horsepower: **310**Blade Type: **Semi-Universal**Attachment: **3-shank ripper**Shift Basis: **1 per day**Data Source: **(CRG)****Cost Breakdown:**

		<u>Utilization %</u>
Ownership Cost/Hour:	\$124.85	NA
Operating Cost/Hour:	\$97.63	100
Ripper own. Cost/Hour:	\$13.10	NA
Ripper op. Cost/Hour:	\$0.00	0
Operator Cost/Hour:	\$41.30	NA
Total unit Cost/Hour:	\$276.88	
Total Fleet Cost/Hour:	\$276.88	

MATERIAL QUANTITIESInitial Volume: **3,227**Swell factor: **1.125**Loose volume: **3,630 LCY**Source of estimated volume: **Division of Reclamation, Mining & Safety**Source of estimated swell
factor: **Cat Handbook****HOURLY PRODUCTION**Average push distance: **60 feet**Unadjusted hourly
production: **1,246.9 LCY/hr**Materials consistency description: **Compacted fill or embankment 0.9**Average push
gradient: **0 %**Average site altitude: **7,600 feet**Material weight: **2,650 lbs/LCY**Weight description: **Decomposed rock - 25% Rock, 75% Earth****Job Condition Correction Factor****Source**

Operator Skill:	0.750	(AVG.)
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:	0.868	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.3890

Adjusted unit
production: 485.04 LCY/hr
Adjusted fleet
production: **485.04** LCY/hr

JOB TIME AND COST

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

Total job time: **7.48** Hours
Total job cost: **\$2,072**

BULLDOZER RIPPING WORK

Task description: Rip compaction in processing area

Site: N Farm Rd Pit No 1

Permit Action: 2023 update

Permit/Job#: M1977140

PROJECT IDENTIFICATION

Task #: 03A

State: Colorado

Abbreviation: None

Date: 6/8/2023

County: Rio Grande

Filename: M140-03a

User: TJ1

Agency or organization name: DRMS

HOURLY EQUIPMENT COST

Basic Machine: Cat D8T - 8SU

Horsepower: 310

Ripper Attachment: 3-Shank Ripper

Shift Basis: 1 per day

Data Source: (CRG)

Cost Breakdown:

		Utilization %
Ownership Cost/Hour:	\$124.85	NA
Operating Cost/Hour:	\$97.63	100
Ripper Ownership Cost/Hour:	\$13.10	NA
Ripper Operating Cost/Hour:	\$7.30	100
Operator Cost/Hour:	\$41.30	NA
Total Unit Cost/Hour:	\$284.18	
Total Fleet Cost/Hour:	\$284.18	

MATERIAL QUANTITIES

Selected estimating method: Area

Alternate Methods:

Seismic: NA

Bank Volume: NA

BCY NA

Area: 6.00 acres

Rip Depth (ft): 1.00

Volume: 9,680

BCY or CCY

Source of estimated quantity: Permit plan

HOURLY PRODUCTION

Seismic:

Seismic Velocity: NA feet/second

Area:

Average Ripping Depth:	<u>1.00</u>	feet/pass
Average Ripping Width:	<u>7.08</u>	feet/pass
Average Ripping Length:	<u>400.00</u>	feet/pass
Average Dozer Speed:	<u>88.00</u>	feet/minute
Average Maneuver Time:	<u>0.25</u>	minutes/pass
Production per unit area:	<u>0.813</u>	acres/hour

Job Condition Correction Factors

Unadjusted Hourly Unit Production: 0.813 Acres/hr

Site Altitude: 7,600 feet

Altitude Adj: 1.00 (CAT HB)

Job Efficiency: 0.83 (1 shift/day)

Net Correction: 0.83 multiplier

Adjusted Hourly Unit Production: 0.68 Acres/hr

Adjusted Hourly Fleet Production: **0.68** Acres/hr

JOB TIME AND COST

Fleet size: 1

Grader(s)

Total job time: **8.89**

Hours

Unit cost: \$420.909

Per acre

Total job cost: **\$2,525**

WHEEL LOADER – LOAD AND CARRY WORKTask description: Carry topsoil to be spreadSite: N Farm Rd Pit No 1Permit Action: 2023 updatePermit/Job#: M1977140**PROJECT IDENTIFICATION**Task #: 04AState: ColoradoAbbreviation: NoneDate: 6/8/2023County: Rio GrandeFilename: M140-04aUser: TJ1Agency or organization name: DRMS**HOURLY EQUIPMENT COST**Basic Machine: CAT 950HAttachment 1: ROPS CabHorsepower: 197Shift Basis: 1 per dayData Source: (CRG)**Cost Breakdown:**

		Utilization %
Ownership Cost/Hour:	\$46.76	NA
Operating Cost/Hour:	\$37.28	100
Operator Cost/Hour:	\$40.71	NA
Total Unit Cost/Hour:	\$124.75	
Total Fleet Cost/Hour:	\$124.75	

MATERIAL QUANTITIESInitial volume: 4,840

CCY

Swell factor: 1.000Loose volume: 4,840

LCY

Source of estimated volume: Division of Reclamation, Mining & SafetySource of estimated swell factor: Cat Handbook**HOURLY PRODUCTION****Loader Cycle Time:**Unadjusted Basic Cycle Time (load, dump, maneuver): 0.500 minutes

Cycle Time Factors		Factor (min.)	Source
Material:	No adjustment - factor not applicable 0.00	0.000	(Cat HB)
Stockpile:	No adjustment - factor not applicable 0.00	0.000	(Cat HB)
Truck Ownership:	No adjustment - factor not applicable 0.00	0.000	(Cat HB)
Operation:	Constant operation -0.04	-0.040	(Cat HB)
Dump Target:	No adjustment - factor not applicable 0.00	0.000	(Cat HB)
Net Cycle Time Adjustment:		-0.040	minutes
Adjusted Basic Cycle Time:		0.460	minutes

Rolling Resistance – Road ConditionsHaul: Rutted dirt, little maintenance, no water, 2" tire penetration 5.0Return: Rutted dirt, little maintenance, no water, 2" tire penetration 5.0**Haul and Return Time**

	Length (feet)	Grade Res. (%)	Rolling Res. (%)	Total Res. (%)	Travel Time (minutes)	Source
Haul Route:	600	0.00	5.00	5.00	0.5739	(Cat HB)

Return Route:	600	0.00	5.00	5.00	0.5086	(Cat HB)
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Total Travel Time: 1.0825 minutes
Total Cycle Time: 1.5425 minutes

Load Bucket Capacity

Rated Capacity:	<u>4.30</u>	LCY (heaped)	
Bucket Fill Factor:	<u>1.050</u>	Other - moist loam	(100-110%) 1.050
Adjusted Capacity:	<u>4.52</u>	LCY	

Job Condition Correction FactorsSite Altitude: 7600 feet

Altitude Adj:	<u>1.00</u>	Source
Job Efficiency:	<u>0.83</u>	(CAT HB)
Net Correction:	<u>0.83</u>	(1 shift/day)
		multiplier

Unadjusted Hourly Unit Production:	<u>175.63</u>	LCY/Hour
Adjusted Hourly Unit Production:	<u>145.77</u>	LCY/Hour
Adjusted Hourly Fleet Production:	<u>145.77</u>	LCY/Hour

JOB TIME AND COST

Fleet size:	<u>1</u>	Loader(s)	Total job time:	<u>33.20</u>	Hours
Unit cost:	<u>\$0.856</u>	/LCY	Total job cost:	<u>\$4,142</u>	

BULLDOZER WORKTask description: **Spread topsoil on areas to be revegetated**Site: **N Farm Rd Pit No 1**Permit Action: 2023 updatePermit/Job#: M1977140**PROJECT IDENTIFICATION**Task #: 05AState: ColoradoAbbreviation: NoneDate: 6/8/2023County: Rio GrandeFilename: M140-05aUser: TJ1Agency or organization name: DRMS**HOURLY EQUIPMENT COST**Basic Machine: Cat D8T - 8SUHorsepower: 310Blade Type: Semi-UniversalAttachment: 3-shank ripperShift Basis: 1 per dayData Source: (CRG)**Cost Breakdown:**

		<u>Utilization %</u>
Ownership Cost/Hour:	<u>\$124.85</u>	<u>NA</u>
Operating Cost/Hour:	<u>\$97.63</u>	<u>100</u>
Ripper own.		
Cost/Hour:	<u>\$13.10</u>	<u>NA</u>
Ripper op. Cost/Hour:	<u>\$0.00</u>	<u>0</u>
Operator Cost/Hour:	<u>\$41.30</u>	<u>NA</u>

Total unit Cost/Hour: \$276.88Total Fleet Cost/Hour: **\$276.88****MATERIAL QUANTITIES**Initial Volume: 4,840Swell factor: 1.000Loose volume: **4,840 LCY**Source of estimated volume: Division of Reclamation, Mining & SafetySource of estimated swell factor: Cat Handbook**HOURLY PRODUCTION**Average push distance: 60 feetUnadjusted hourly production: 1,246.9 LCY/hrMaterials consistency description: Compacted fill or embankment 0.9Average push gradient: 0 %Average site altitude: 7,600 feetMaterial weight: 3,250 lbs/LCYWeight description: Gravel - PitrunJob Condition Correction FactorSource

Operator Skill:	0.750	(AVG.)
Material consistency:	0.900	(CAT HB))
Dozing method:	1.000	(GEN.)
Visibility:	1.000	(AVG.)
Job efficiency:	0.830	(1 SHIFT/DAY)
Spoil pile:	0.700	(FND-MF)
Push gradient:	1.000	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	0.708	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.2777

Adjusted unit
production: 346.26 LCY/hr
Adjusted fleet
production: **346.26** LCY/hr

JOB TIME AND COST

Fleet size: 1 Dozer(s)
Unit cost: \$0.800/LCY

Total job time: **13.98** Hours
Total job cost: **\$3,870**

REVEGETATION WORKTask description: Revegetate disturbed areasSite: N Farm Rd Pit No 1Permit Action: 2023 updatePermit/Job#: M1977140PROJECT IDENTIFICATIONTask #: 06AState: ColoradoAbbreviation: NoneDate: 6/8/2023County: Rio GrandeFilename: M140-06aUser: TJ1Agency or organization name: DRMSFERTILIZING**Materials**

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
Ammonium nitrate, 33-0-0	150.00	pound	\$0.37	\$55.50
Triple superphosphate, 0-46-0	100.00	pound	\$0.47	\$47.00
			Total Fertilizer Materials Cost/Acre	\$102.50

Application

Description	Cost /Acre
Tractor towed spreader (MEANS 32 01 90.13 0120)	\$39.64
Total Fertilizer Application Cost/Acre	\$39.64

TILLING

Description	Cost /Acre
Chisel plowing {DMG}	\$98.43
Total Tilling Cost/Acre	\$98.43

SEEDING

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost /Acre
Alkali Sacaton	0.15	5.85	\$4.27
Indian Ricegrass - Nespar	2.00	6.47	\$17.75
Crested Wheatgrass - Ephraim	1.50	6.89	\$6.49
Russian Wildrye - Bozoiisky	1.30	5.22	\$8.42
Streambank Wheatgrass - Sodar	1.50	4.89	\$8.55
Western Wheatgrass - Arriba	2.00	5.05	\$13.00
Saltbush, Four Wing	4.00	5.51	\$50.00
Totals Seed Mix	12.45	39.89	\$108.48

Application

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

MULCHING and MISCELLANEOUS**Materials**

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
Straw, delivered {MEANS 31 25 14.16 1200}	2.50	TON	\$421.36	\$1,053.40
Total Mulch Materials Cost/Acre				\$1,053.40

Application

Description	Cost /Acre
Crimping, with tractor {DMG survey data}	\$73.00
Power mulcher (MEANS 32 91 13.16 0350)	\$141.57
Total Mulch Application Cost/Acre	\$214.57

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: 6 Cost /Acre: \$1,849.02
 Estimated Failure Rate: 25% Cost /Acre*: \$1,849.02
 *Selected Replanting Work Items: FERTILIZING,TILLING,SEEDING,MU
LCHING

Initial Job Cost: **\$11,094.12**
 Reseeding Job Cost: **\$2,773.53**
 Total Job Cost: **\$13,868**
 Job Hours: **16.00**

EQUIPMENT MOBILIZATION/DEMOBILIZATIONTask description: **Haul reclamation equipment to and from site**Site: **N Farm Rd Pit No 1**Permit Action: **2023 update**Permit/Job#: **M1977140****PROJECT IDENTIFICATION**Task #: **07A**State: **Colorado**Abbreviation: **None**Date: **6/8/2023**County: **Rio Grande**Filename: **M140-07a**User: **TJ1**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:	\$15.25	\$23.06	\$37.58
Operating Cost/Hour:	\$25.26	\$30.83	\$51.41
Operator Cost/Hour:	\$27.71	\$27.71	\$27.71
Helper Cost/Hour:	\$0.00	\$20.22	\$20.22
Total Unit Cost/Hour:	\$68.22	\$101.82	\$136.92

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 320D L 9'-6" Stick	23.70	\$63.65	\$68.22	1	\$131.87	\$68.22	\$0.00
Cat D8T - 8SU	53.08	\$137.95	\$136.92	1	\$274.87	\$136.92	\$0.00
CAT 950H	20.13	\$46.76	\$68.22	1	\$114.98	\$68.22	\$0.00
Drill/Broadcast Seeder with Tractor	25.00	\$6.25	\$68.22	1	\$74.47	\$68.22	\$0.00
Power Mulcher (Bowie LD-90)	6.00	\$14.79	\$68.22	1	\$83.01	\$68.22	\$0.00

Subtotals: **\$679.20** **\$409.80** **\$0.00****ROADABLE EQUIPMENT:**

Machine Description	Total Cost/hr/ unit	Fleet Size	Haul Trip Cost/hr/ fleet	Return Trip Cost/hr/ fleet
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Subtotals: **\$0.00** **\$0.00**

EQUIPMENT HAUL DISTANCE and Time

Nearest Major City or Town within project area region: MONTE VISTA
 Total one-way travel distance: 5.00 miles
 Average Travel Speed: 35.00 mph

Total Non-Roadable Mob/Demob Cost * \$1,669.54
 * two round trips with haul rig:
 Total Roadable Mob/Demob Cost ** \$0.00
 ** one round trip, no haul rig:

Transportation Cycle Time:

	Non-Roadable Equipment	Roadable Equipment
Haul Time (Hours):	0.14	0.14
Return Time (Hours):	0.14	0.14
Loading Time (Hours):	0.50	NA
Unloading Time (Hours):	0.50	NA
Subtotals:	1.29	0.29

JOB TIME AND COST

Total job time: 2.57 Hours

Total job cost: \$1,670