

STATE OF  
COLORADO

Gagnon - DNR, Nikie &lt;nikie.gagnon@state.co.us&gt;

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**Notice of Surety Increase Tucson South M2004044**

1 message

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**Gagnon - DNR, Nikie** <nikie.gagnon@state.co.us>

Mon, Dec 23, 2024 at 10:45 AM

To: Wyatt Webster &lt;wyatt.webster@holcim.com&gt;

Cc: Neil Whitmer &lt;neil.whitmer@holcim.com&gt;, Sara Stevenson-Benn - DNR &lt;sara.stevenson-benn@state.co.us&gt;

Hello.

Please see the attached Notice of Surety Increase for the Tucson South mine, permit No. M-2004-044. The new financial warranty should be submitted to the Division within 60 days of the Notice.

If you have any questions on the increased financial warranty, please contact me or our warranty specialist, Sara Stevenson-Benn.

Kind regards,

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**Nikie Gagnon**  
Environmental Protection Specialist



**COLORADO**  
Division of Reclamation,  
Mining and Safety  
Department of Natural Resources

Cell: 720.527.1640

Physical: 1313 Sherman Street, Room 215, Denver, CO 80203

**Address for FedEx, UPS, or hand delivery:**

DRMS Room 215, 1001 E 62nd Ave, Denver, CO 80216

[nikie.gagnon@state.co.us](mailto:nikie.gagnon@state.co.us) | <https://www.drms.colorado.gov>

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**M2004044\_Tucson South\_Surety Increase Notice\_20241223.pdf**

370K



December 23, 2024

Kevin Peart  
Holcim - WCR, Inc.  
1687 Cole Blvd., Suite 300  
Golden, CO 80401

**Re: Tucson South Resource - File No. M-2004-044, Holcim - WCR, Inc., Surety Increase (SI-2)**

Dear Mr. Peart:

On December 23, 2024 the Division of Reclamation, Mining and Safety increased the current Financial Warranty for this permit to \$983,310.00, in accordance with Rule 4.2.1 of the Rules and Regulations. This is an increase of \$149,310.00.

Please see the October 30, 2024 inspection report for details regarding why this surety increase is required.

On December 23, 2024, the Division ordered amendment of the current Financial Warranty or submittal of a new Financial Warranty reflecting the increase, within 60 days.

Please make arrangements with Sara M. Stevenson-Benn at the Division's Denver office for submittal of the financial warranty. Any other questions regarding completion, execution and/or submittal of financial warranty forms should also be directed to Sara M. Stevenson-Benn by telephone at (303) 866-3567, or by email at Sara.stevenson-benn@state.co.us.

The Permittee for this site may be scheduled for a Formal Board Hearing for possible revocation of the permit if the amount of any increased Financial Warranty has not been provided by February 21, 2025.

Bond Held:	\$834,000.00
Change in Liability:	\$149,310.00
Revised Liability:	\$983,310.00
Permit Acreage:	287.60
Affected Acreage:	238.60



If you have any questions, please contact me by telephone at (720) 527-1640, or by email at [Nikie.gagnon@state.co.us](mailto:Nikie.gagnon@state.co.us).

Sincerely,

A handwritten signature in blue ink that reads "Nikie Gagnon". The signature is written in a cursive, flowing style.

Nikie C. Gagnon  
Environmental Protection Specialist

Cc: Wyatt Webster, Holcim - WCR, Inc.

## COST SUMMARY WORK

Task description: Reclamation Cost Estimate

Site: Tucson South Resource

Permit Action: 2024 Inspection

Permit/Job#: M2004044

### PROJECT IDENTIFICATION

Task #: 000

State: Colorado

Abbreviation: None

Date: 12/13/2024

County: Adams

Filename: M044-000

User: NCG

Agency or organization name: DRMS

### TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
001	Backfill remaining East Cell mining face and slide slopes	LOADER	2	78.41	\$47,506
002	Rough grade disturbed area in East Cell (85' x 2300')	GRADER	1	1.95	\$715
003	Replace topsoil on backfilled mining cell area above HWL	SCRAPER1	1	45.69	\$102,552
004	Final grade East Cell (85' x 2300') + (800'+100')	GRADER	1	2.76	\$1,010
005	Replace topsoil on internal haul roads and main site ent.	SCRAPER1	1	1.82	\$4,081
006	Replace topsoil on conveyor route	SCRAPER1	1	9.54	\$21,411
007	Replace topsoil on stockpile areas	SCRAPER1	1	3.03	\$6,801
008	Scarify internal haul roads and conveyor route	GRADER	1	3.62	\$1,325
009	Final grade all miscellaneous areas (8.3 acres x .5')	GRADER	1	3.62	\$1,312
010	East Slurry Wall Contingency	NA	1	0.00	\$145,800
011	Remove Tucson St Crossing	NA	1	0.00	\$41,954
012	Remove 168th Crossing	NA	1	0.00	\$37,005
013	Remove WCR 23.75 Crossing	NA	1	0.00	\$21,816
014	Remove Aurora Crossing	NA	1	0.00	\$15,000
015	Remove Struck Crossing	NA	1	0.00	\$15,000
016	Remove Remaining Conveyor	DEMOLISH	1	80.00	\$148,297
017	Revegetation of Affected Land	REVEGE	1	80.00	\$154,253
018	Mobilization	MOBILIZE	1	8.76	\$38,922
<b><u>SUBTOTALS:</u></b>				<b>319.2</b>	<b>\$804,760</b>

### INDIRECT COSTS

#### OVERHEAD AND PROFIT:

Liability insurance: 2.02

Performance bond: 1.05

Job superintendent: 159.60

Profit: 10.00

Total = \$16,256

Total = \$8,450

Total = \$12,651

Total = \$80,476

TOTAL O & P = \$117,834

CONTRACT AMOUNT (direct + O & P) = \$922,594

#### LEGAL - ENGINEERING - PROJECT MANAGEMENT:

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

Total = \$500

Engineering work and/or contract/bid preparation:	<u>2.00</u>	Total =	<u>\$18,452</u>
Reclamation management and/or administration:	<u>1.91</u>		<u>\$17,622</u>
CONTINGENCY:	3.00	Total =	<u>\$24,143</u>
		TOTAL INDIRECT COST =	<u>\$178,550</u>
		<b>TOTAL BOND AMOUNT (direct + indirect) =</b>	<b><u>\$983,310</u></b>