



January 22, 2025

Jason Burkey
Oldcastle SW Group, Inc. dba United Companies of Mesa County
2273 River Road
Grand Junction, CO 81502

RE: 15 Road Gravel Pit, Permit No. M-2002-114, Reclamation Cost Estimate

Dear Mr. Burkey:

This reclamation cost update was in response to the site inspection conducted on September 24, 2024 and the revised permit under TR-7. It is Division policy to periodically update its costs to ensure that the Financial Warranty adequately, reflects the actual current cost of fulfilling the requirements of the approved reclamation plan.

The last surety increase was in 2014. Below is a table summarizing input values that have been updated based on site conditions. Items in red have been updated since the proposed estimate that triggered TR-7. This table does not account for price changes resulting from inflation or other RS Means cost changes. Bond calculations are based on a combination of field observations and worst-case scenario based on the approved reclamation plan. In this case the worst-case presented in TR-7 Exhibit L has a higher liability than the current site conditions are. Both estimates have been provided.

General Assumptions:

- TR—7 provides updated Exhibit E – Reclamation Plan and Exhibit L – Worst Case Scenario Bonding. Proposed worst case is only Lake 4 remains.
 - Complete dewatering of lake 4 @ 264.7 ac/ft.
 - Backfill 2000LF of highwall from 2H” 1V to 3H: 1V, proposed 18K CY.
 - Topsoil 8” over 26 ac.
 - 21 ac to be dryland and 4ac to be wetlands for reveg
- Current site conditions as of Sept 2024
 - Lake 1 reclaimed-awaiting sufficient vegetation
 - Lake 2 released
 - Lake 3 Slopes nearly vertical, grade everything to 3H: 1V and Decompact flat areas prior to reveg.



- Lake 4 partially mined out assumed 2H: 1V. Drain then grade out slopes and reveg. Decomcompact adjacent stockpile area.
- Lakes mined to approx.. 20 ft deep
- TR-7 Changes
 - No use of manure and fertilizer for reclamation
 - Removed wetland benches from Lake 1.
 - 8.98 ac of wetlands shelf on north sides of Lakes 3 and 4
 - Updated User Provided figures for 2024 cost have been included
 - Clarify Tree Planting Requirements 570, 12"-18" cottonwoods saplings to be replaced to date. 285 trees removed.
 - TR-7 proposes 25% failure rate for vegetation. Divisions internal guidance for the Grand Junction area is 40-50%.
 - Water surface: Lake 1 23.2 ac, Lake 3 48ac, Lake 4 = 65.6

2025-01 Updated with site conditions 2024 and TR7 changes

Task	Form Used	Description
01a	Pumping	Drain lake prior to grading – Lake 1 9'D x 29.1 ac = 11535123 CF (Exhibit L-1) 30,000 sq. ft. inflow (20'H x 1500LF adjacent to river) No longer be necessary
01b	Truck	Transport Overburden and Placement for wetland shelf – Lake 1 11.51 ac x 9 ft = 167,125 CY (Exhibit L-1) No longer be necessary
01c	Ripper	Rip Compacted Areas – Lake 1 Estimated 5 ac around lake Completed
01d	Truck	Transport Topsoil and Placement – Lake 1 15.86 ac @ 8" = 17,058 CY Completed
01e	Reveg	Reveg Wetland – Lake 1 – Failure Only 1.16 ac @ 40% failure

		Removed fertilizer and manure. Update seeding method – Drill. Removed tree planting, individual task 06a.
01f	Reveg	Reveg Dry Rangeland – Lake 1 – Failure Only 14.69 ac @ 50% failure Removed fertilizer and manure. Update seed mix. Removed tree planting, individual task 06a.
		Lake 2 released – No tasks
03a	Pumping	Drain lake prior to grading - Lake 3 20'D x 27ac = 540 ac/ft (actual site conditions) 24,000 sq. ft. inflow (20'H x 1200LF adjacent to river)
03b	Dozer	Establish 3H: 1V Slopes – Lake 3 4,325 LF of 1H: 1V @25'H cut/fill = 16,019 CY
03b2	Truck	Transport backfill volume for grading 675 LF of 1H: 1V @25'H backfill = 10,000 CY
03c	Ripper	Rip compacted areas – Lake 3 Scale area ~10ac
03d	Truck	Transport Topsoil and Placement – Lake 3 ~5,000 LF x50'W = 5.74 ac wetlands, @ 8"= 6,174 CY (actual site conditions) 10 ac @ 8" = 10,775 CY Scale area (actual site conditions) 16,949 CY
03e	Reveg	Reveg Wetland – Lake 3 5.74 ac @40% Failure Removed fertilizer and manure. Update seeding method – Drill. Removed tree planting, individual task 06a.
03f	Reveg	Reveg Dry Rangeland – Lake 3 10ac ac Removed fertilizer and manure. Update Seed Mix.
04a	Pumping	Drain lake prior to grading - Lake 4 20'D x 25ac = 500 ac/ft (actual site conditions) 30,000 sq. ft. inflow (20'H x 1500LF adjacent to river)

04b	Dozer	Establish 3H: 1V Slopes – Lake 4 5,007LF of 2H: 1V @20'H cut/fill =9,272 CY (Exhibit L-2)
04c	Ripper	Rip compacted areas – Lake 4 Stockpile area ~15 ac
04d	Truck	Transport Topsoil and Placement – Lake 4 ~5,007 LF x 50'W = 5.75 ac wetlands, @8"= 6,181 CY (Exhibit L-2) 15 ac @ 8" = 16,113 CY Stockpile area (actual site conditions) Total 22,294 CY
04e	Reveg	Reveg Wetland – Lake 4 5.75 ac @40% failure Removed fertilizer and manure. Update seeding method – Drill. Update seed mix. Removed tree planting, individual task 06a.
04f	Reveg	Reveg Dry Rangeland – Lake 4 15 ac Removed fertilizer and manure. Update seed mix. Removed tree planting, individual task 06a.
05a	Demo	Structure Removal: Truck Scale \$5,000 Office Building with foundation \$8,000 Storage building \$700 Fuel Storage \$2,000
06a	Reveg	Tree Planting 570, 12"-18" cottonwood saplings to be replaced as of TR-7 impacts- 285 impacted 30 min per tree = 285 Hrs
10a	Mob	Initial Mobilization
10b	Mob	Secondary Mobilization

TR-7 Exhibit L – Worst Case Scenario

Task	Form Used	Description
		Lake 1 released – No tasks
		Lake 2 released – No tasks
03e	Reveg	Reveg Wetland – Lake 3 Reveg failure only, 50% of 5.74 ac = 2.87 ac
03f	Reveg	Reveg Dry Rangeland – Lake 3 Reveg Failure only, 50% of 10ac = 5ac
04a	Pumping	Drain lake prior to grading - Lake 4 787.2 ac/ft (12'D x 65.6ac) (TR-7 Exhibit L) 30,000 sq. ft. inflow (20'H x 1500LF adjacent to river) Full dewatering required for sloping. 1,321 ac/ft = 65.6 ac pond @20'D
04b	Truck	Transport Overburden and Placement to Establish 3H: 1V Slopes – Lake 4 Backfill 2000LF of highwall from 20H" 1V to 3H: 1V = 18,000 CY (TR-7)
04d	Truck	Transport Topsoil and Placement – Lake 4 Max of 35.6 ac @ 8" = 38,289 CY Stockpile area (TR-7)
04e	Reveg	Reveg Wetland – Lake 4 (max amount) 8.9 ac @ 40% failure (Lake 4 est. 4 ac of seeding)
04f	Reveg	Reveg Dry Rangeland – Lake 4 (max amount) 26.7 ac @50% failure (Lake 4 est. 21 ac of seeding)
05a	Demo	Structure Removal: Truck Scale \$5,000 Office Building with foundation \$8,000 Storage building \$700 Fuel Storage \$2,000
06a	Reveg	Tree Planting – Partially Completed 285 Trees @ 142 Hrs

10a	Mob	Initial Mobilization
10b	Mob	Secondary Mobilization

Currently the Division holds \$854,778. Based on the updated estimates the current bond is sufficient to cover the onsite liability.

Please feel free to contact me with any further questions. Amy Yeldell at the Division of Reclamation, Mining and Safety, Rm 215, 1001 E 62nd Ave, Denver CO 80216. Direct contact can be made by phone at 970-210-1272 or via email at amy.yeldell@ state.co.us

Sincerely,



Amy Yeldell
Environmental Protection Specialist

Ec:
Travis Marshall, Senior EPS, Grand Junction DRMS

COST SUMMARY WORK

Task description: Updated with site conditions 2024 and TR7

Site: 15 Road Gravel Pit

Permit Action: 2025-01

Permit/Job#: M2002114

PROJECT IDENTIFICATION

Task #: ACY

State: Colorado

Abbreviation: None

Date: 1/8/2025

County: Mesa

Filename: M114-ACY

User: ACY

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
01e	Lake 1 - Revegetate Wetland Areas - Failure Only	REVEGE	1	1.00	\$776
01f	Lake 1 - Revegetate Dry Rangeland - Failure Only	REVEGE	1	8.00	\$13,555
03a	Lake 3 - Drain lake for grading banks	PUMPING	1	665.29	\$35,826
03b	Lake 3 - Establishing 3H: 1V highwalls	DOZER	1	46.85	\$15,135
03b2	Lake 3 - Transport Overburden for Backfilling & Placement	TRUCK1	1	19.05	\$28,375
03c	Lake 3 - Rip Compacted Areas	RIPPER	2	8.56	\$5,918
03d	Lake 3 - Transport Topsoil & Placement	TRUCK1	1	32.29	\$48,093
03e	Lake 3 - Revegetate Wetland Areas	REVEGE	1	8.00	\$13,559
03f	Lake 3 - Revegetate Dry Rangeland	REVEGE	1	16.00	\$27,663
04a	Lake 4 - Drain for grading banks	PUMPING	1	618.60	\$33,312
04b	Lake 4 - Establishing 3H: 1V highwalls	DOZER	1	25.05	\$8,092
04c	Lake 4 - Rip Compacted Areas	RIPPER	2	12.84	\$8,878
04d	Lake 4 - Transport Topsoil & Placement	TRUCK1	1	42.48	\$63,259
04e	Lake 4 - Revegetate Wetland Areas	REVEGE	1	8.00	\$13,583
04f	Lake 4 - Revegetate Dry Rangeland	REVEGE	1	23.00	\$41,494
05a	Structure Removal	DEMOLISH	1	8.00	\$14,994
06a	Tree Planting	REVEGE	1	285.00	\$4,292
10a	Initial Mobilization	MOBILIZE	1	2.90	\$8,462
10b	Secondary Mobilization	MOBILIZE	1	2.90	\$1,611
<u>SUBTOTALS:</u>				1833.81	\$386,877

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance: 2.02

Total = \$7,815

Performance bond: 1.05

Total = \$4,062

Job superintendent: 225.00

Total = \$17,836

Profit: 10.00

Total = \$38,688

TOTAL O & P = \$68,401

CONTRACT AMOUNT (direct + O & P) = \$455,278

LEGAL - ENGINEERING - PROJECT MANAGEMENT:

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

Total = \$500

Engineering work and/or contract/bid preparation: 4.25

Total = \$19,349

Reclamation management and/or administration: 5.00

\$22,764

CONTINGENCY: 3.00Total =

\$11,606TOTAL INDIRECT COST =

\$122,620**TOTAL BOND AMOUNT (direct + indirect) =

\$509,497**

COST SUMMARY WORK

Task description: TR-7 Worst Case Scenario

Site: 15 Road Gravel Pit

Permit Action: TR7

Permit/Job#: M2002114

PROJECT IDENTIFICATION

Task #: ACTY

State: Colorado

Abbreviation: None

Date: 11/25/2024

County: Mesa

Filename: M114-ACY

User: ACY

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
03e	Lake 3 - Revegetate Wetland Areas - Failure Only	REVEGE	1	3.00	\$10,773
03f	Lake 3 - Revegetate Dry Rangeland - Failure Only	REVEGE	1	5.00	\$14,282
04a	Lake 4 - Drain for grading banks	PUMPING	1	1,634.35	\$88,010
04b	Lake 4 - Transport Overburden for Backfilling & Placement	TRUCK1	1	34.30	\$51,075
04d	Lake 4 - Transport Topsoil & Placement	TRUCK1	1	72.96	\$108,644
04e	Lake 4 - Revegetate Wetland Areas - Max amount	REVEGE	1	13.00	\$21,024
04f	Lake 4 - Revegetate Dry Rangeland - Max amount	REVEGE	1	41.00	\$73,859
05a	Structure Removal	DEMOLISH	1	8.00	\$14,994
06a	Tree Planting - Partially Planted	REVEGE	1	142.00	\$4,292
10a	Initial Mobilization	MOBILIZE	1	2.90	\$8,462
10b	Secondary Mobilization	MOBILIZE	1	2.90	\$1,611
<u>SUBTOTALS:</u>				1959.41	\$397,026

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance: 2.02

Total = \$8,020

Performance bond: 1.05

Total = \$4,169

Job superintendent: 140.00

Total = \$11,098

Profit: 10.00

Total = \$39,703

TOTAL O & P = \$62,989

CONTRACT AMOUNT (direct + O & P) = \$460,015

LEGAL - ENGINEERING - PROJECT MANAGEMENT:

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

Total = \$500

Engineering work and/or contract/bid preparation: 4.25

Total = \$19,551

Reclamation management and/or administration: 5.41

\$24,887

CONTINGENCY: 3.00

Total = \$11,911

TOTAL INDIRECT COST = \$119,837

TOTAL BOND AMOUNT (direct + indirect) = \$516,863