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DRAFT

February 15, 2017

No.0123-485-01

Washoe County Department of Community Development
P.O. Box 11130
Reno, Nevada 89520

Attn: Roger Pelham

**RE: 2016 Annual Review; Status of Conditions on Special Use Permit
SW01-015 Golden Valley Aggregate Pit
A&K Earth Movers, Inc.**

Dear Mr. Pelham:

The following is the status of A & K Earth Movers (A&K) conformance with the list of conditions for their Special Use Permit (SUP) for the Golden Valley Sand Pit. As you know, there were two SUP's proposed for the operation, the other being the BLM's Panther Pit (SW01-026). Two permits were necessary because of the separate ownership and zoning issues involved, even though both properties were intended to be mined as one. The Bureau of Land Management (BLM) has completed the Environmental Assessment (EA) on their old Panther Pit and A & K anticipated being allowed to start mining on this property providing they could do so economically. Unfortunately, A&K has not yet developed a plan that would allow us to economically extract material from the Panther Pit (access fee) and pay suggested BLM royalties. Until such time that a satisfactory agreement between all concerned parties may be achieved; the Panther Pit EA is formally approved by the BLM; and issuance of a BLM Material Sale is granted, no mining in the Panther Pit shall occur. The conditions for both properties are nearly identical, but this status report is only for the private property portion of the pit (Golden Valley; SW01-015). At this time, the status concerning the conditions for the Golden Valley SUP will be addressed.

In addition, the 5 year review for this special use permit is due on April 1st of this year. This review will serve as the application for the 5 year renewal, as discussed with the county.

The conditions identified below are numbered the same but may be somewhat abbreviated from the actual wording in the Conditions for the SUP and the applicable "Action Order". Attachments to these conditions and this letter are as noted below.

Conditions of Special Use Permit Case No. SW01-015 (Golden Valley Pit)

1. Demonstration of substantial conformance to the plans approved as part of the Special Use Permit:

The Amended Mining and Reclamation Plan submitted with the initial SUP application has not changed and was included in The BLM's Environmental Assessment (EA).



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2. Copy of the Action Order stating conditional approval of the Special Use Permit shall be attached to all applications for administrative permits issued by the County:

A copy of the Action Order will be attached to all applications for administrative permits issued by the County.

3. In the event the operation is sold the applicant is to notify the County and make the buyer aware of these conditions:

The applicant has no intention of selling; however, if they do sell they will notify the County and make the new owner aware of all conditions.

4. Prehistoric or historic artifacts:

The applicant agrees that should any prehistoric or historic/artifacts be discovered during mining activities, work shall temporarily be halted and the State Historic Preservation Office and the BLM will be notified.

5. Operator shall notify the Department of Community Development of seasonal or permanent shutdown:

A & K will notify the Department if there is a seasonal or permanent shutdown. Adverse weather or economic downturns may result in temporary short-term shutdowns.

6. Applicant shall in no way increase drainage and/or runoff water to or from any adjacent property

The applicant will not increase drainage and/or runoff water to or from any adjacent property. As described in the Mining and Reclamation Plan in the EA, all drainage is internal and berms were constructed to assure this. The state determined that No Storm water Discharge Permit will be required at this time and a waiver was granted. A&K contained unanticipated runoff from the Panther Pit into the Golden Valley Pit in 2016 to avoid runoff onto downstream adjacent properties as per the recommendations of Washoe County engineers (See 18-B).

7. During operation the applicant shall provide dust control to the satisfaction of the District Health Department & applicant shall submit copy of air quality operations permit:

Dust control measures are addressed in the Special Use Permit application and the BLM's EA. Dust control is part of the permit to operate and the MSHA permit, I.D. No. 2602452. We complied and suppressed fugitive dust throughout 2016 and had no complaints from neighbors. There were no citations for dust emission violations. A water truck was assigned to the pit & access road full time from January to December in 2016. We conducted employee occupational dust & noise exposure tests in 2008 which were found to be below 30 CFR 62.101 levels. Current exposure levels are below previous levels (fewer hours of operation).

8. During the period of operation all loads of material exiting the site shall be tarped or treated for dust or loose material to the satisfaction of the District Health Department and the Department of Transportation:

Dust control measures for haul trucks are addressed in the Special Use Permit application and the EA. In addition dust control is part of the permit to operate and the MSHA permit. All exiting loads were wetted or tarped prior to leaving the property.

9. If the operation ceases for a period of 12 months this special use permit becomes null and void:



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The operation has not ceased for a period of 12 months nor is it anticipated that it will ever do so during the life of the permit.

10. Applicant shall ensure that any financial assurances required by the provisions of the special use permit are maintained for the life of the project to the satisfaction of the Engineering Division.

The applicant will provide financial assurances for the life of the project; to the satisfaction of the County Engineer (see also condition 18 C and I). Bonds are in place and were adjusted to reflect up-to-date costs.

11. Applicant shall submit a yearly compliance report detailing how they have complied with each of the conditions of the special use permit.

A&K is submitted their fifteenth yearly compliance report in April of 2016 and were in compliance. If not in compliance with a particular condition, A&K shall detail how compliance will be reached together with a fixed timeline to reach compliance.

12. The Planning Commission shall review the conditions of approval at least every five years.

The applicant successfully completed a five year review in September of 2012 by the Washoe County Planning Commission. A&K has demonstrated with our past performance that no violations of the SUP were committed and we are not aware of any problems concerning our ongoing operation and the surrounding neighbors & community. The next 5 year review is scheduled for April 1st, 2017 with this annual review serving as the application.

13. Exported Materials will not be sold without the proper business license.

A copy of A&K's current business license has been furnished.

14. Hours of Operation shall be from 6:00 a.m. to 6:00 p.m. on weekdays exclusive of holidays except as approved otherwise.

These are actual hours when equipment is running. It is understood that maintenance can be undertaken at any time as long as no noise, dust or truck traffic takes place.

15. If explosives are used the applicant will develop a plan for use and notification of affected property owners at least two weeks in advance, to the satisfaction of the applicable County agencies.

No blasting is anticipated but if blasting does become necessary a plan will be developed and submitted for approval per this condition.

16. Sound Emissions

Sound emissions as required in Article 414 of the Washoe County Development Code will be followed. In-house noise levels measured from the closest property line external to our project (west boundary) were shown to be below 65 dB $L_{eq(10)}$ during the hours of 6:00 a.m. to 6:00 p.m. and never exceeded 120 dB at any time. The pit did not operate between the hours of 6:01 p.m. and 5:59 a.m. (no noise associated with our operation). We are not aware of any noise complaints from surrounding property owners due to our operation, but agree to implement any changes in operating practice to ensure compliance to the Development Code standards as required by the Department of Community Development (see answer 7). Sound levels were well below required limits (see 2008 Industrial Hygienist report).



17. Under no circumstance shall excavation occur on land that is closer than 250 feet from the west property line along Wigwam Way.

Excavation will stay 250 feet back from Wigwam Way as shown on Figure 5 of the EA. The perimeter was re-staked at 250 feet at this location. It was brought up at a planning commission meeting last year that the SUP should be modified to refer to Bull Road instead of Wigwam Way. In reference to the current boundary along Wigwam, it may be advantageous for flood control to excavate within the 250' boundary in order to reslope this area. This can be discussed during the 5 year review.

18. The following conditions shall be completed to the satisfaction of the County Engineer:

- A. A mining and reclamation plan shall be submitted

The EA submitted has the amended Mining and Reclamation Plan.

- B. Storm water Discharge Permit

The Storm water Discharge Permit was obtained. A storm water pollution prevention plan was developed and submitted to NDEP within seven months of November 6, 2002, (June 6, 2003). Site visits from the state inspector since that time has ensured all drainage was internal. We applied for and received a No Exposure Permit waiver from NDEP (#ISW-844) on 3/27/08 to satisfy the Storm water Discharge Permit requirement.

- C. A mining and restoration bond will be provided to the Engineering Division

A revised reclamation cost estimate was submitted in 2007; please refer to Table 1 – Reclamation Cost Estimate Summary (Private Land). The previous cost estimate as presented in Appendix C of the SUP application is no longer applicable as there were changes incorporated into the Mining and Reclamation Plan per these conditions. An updated RCE has been bonded for at the requested \$1,500 per disturbed acre for the Golden Valley property and a copy of the bond was attached with the 2007 annual report. Pit disturbance did not increase in 2016, and the current RCE was determined to be adequate to cover current bonding requirements. We presently have no intention to do any mining or disturbance of the Panther Pit, thus no reclamation bond would be required for the Panther Pit until such time as we present a specific plan for the future mining of the Panther Pit area.

- D. All disturbed areas shall be reclaimed in accordance with the approved mining and reclamation plan.

Reclamation will be in accordance with the reclamation plan.

- E. Provide evidence of access to the site.

The special use permit application provides the documentation for the access to the site. The access road to Golden Valley Road is included in the lease agreement for the Golden Valley Pit.

- F. The proposed traffic haul route shall be submitted to the Engineering Division for review and approval.

The haul route is as described in the special use permit application. This was a grandfathered use prior to obtaining the SUP. The sand pit has been in use for over forty-five years utilizing the same haul route. The private access route from the pit empties directly onto Golden Valley Road; see Figure 3 in the EA. There is no pavement section of



the access road, however loads leaving the site are weighed prior to leaving the site to ensure compliance to highway weight limits.

- G. The residential streets of Wigwam Way, Indian Drive, Estates Drive and Running Bear Drive shall never be used as haul routes for the mining operation.

The only occasion to use these streets for a haul route would be if there would be a local delivery to a residence within Golden Valley.

- H. A detailed hydrology report shall be submitted.

The hydrologic/hydraulic report is found in Appendix D of the special use permit application.

- I. The amount of the mining and restoration bond shall be revised to provide bonding at \$1,500 per disturbed acre (no new disturbance is planned within the next five years). The bond will be submitted for review and approval by the County Engineer.

The total area for the entire Golden Valley Pit is approximately 62.2 acres. Thus, a mining and restoration bond for \$93,300 has been acquired (see 2008 attached copy) which would cover 100% of the total possible disturbed acreage.

19. The project will require a storm water permit.

See Condition 18 B. The state storm water inspector realized upon visitation to the site that all water flow was contained on-site. He said that he would write a recommendation to NOT require further storm water inspections unless the mine plan was changed to alter future water flow. The mine plan will not change and a storm water permit waiver was obtained (#ISW-844).

20. Berm buffers will be constructed along the north and west sides of the property to mitigate sight and sound from nearby residences.

Berms have been constructed on the west and on the remainder of the property will be constructed per the mining and reclamation plan and as outlined on Figure 4 in the EA.

21. Growth medium will have to be imported to the site if existing material on site is insufficient.

Growth medium will be imported if reserves on site are not adequate.

22. Applicant shall use a seed mix and manner of application that is recommended and approved by the Washoe-Storey County Conservation District, for the private lands, and by the BLM, for the public lands.

The Washoe-Storey Conservation District has endorsed the seed mixture and application procedures recommended by the BLM. Refer to Appendix E of the EA, which contains the BLM seed mixture recommendations and Washoe-Storey Conservation District's letter accepting BLM's recommendations.

If you have any questions, or require additional information, please do not hesitate to contact me.

Sincerely,



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