OGMCOAL - Fwd: Attached Image / COVOL Midterm Permit Review / Task ID # 3719

From: Steve Christensen
To: OGMCOAL
Date: 3/1/2011 12:34 PM
Subject: Fwd: Attached Image / COVOL Midterm Permit Review / Task ID # 3719
Attachments: Attached Image

>>> Pete Hess 3/1/2011 12:07 PM >>>
Gina...

You should have received, or are about to receive a deficiency letter from the Division which contains a deficiency requiring COVOL to update the reclamation cost estimate using 2011 unit costs and escalating that total to 2016, which is when the next mid-term permit review will occur.

I am sending you the following documents;
1) APPENDIX 8-1, which is the current reclamation cost estimate done by EarthFax Engineering (2 pages).
2) My reclamation cost estimate using 2011 unit costs and the information needed from EarthFax's estimate (1 page).
3) My TOTAL reclamation cost estimate which is escalated to 2016, which shows that the current posted cash bond amount ($ 165,000) is short by $ 51,000.
4) Table 3-1, Revegetation Seed Mix and prices per pound for each species required (except for Desert trumpet) and a total for the seed cost per acre for the site (2 pages).

I know you will not be happy about this. Please have Rich White or whoever you choose look my numbers over and submit the new reclamation cost estimate requested to address the deficiency. All unit costs are from the 2011 R.S. Means. Seed costs are from 2009.

Thank you.

APPENDIX 8-1

Reclamation Bond Cost Estimate

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EarthFax Engineering, Inc.
Reclamation Cost Estimate

Project:	COVOL Reclamation Bond Estimate
Project #:	UC 1091-02
Estimator:	Timothy A. Jimenez
Date:	6-Jul-09
Costs:	Means 2009 Heavy Construction Cost Data, except as otherwise noted

Means No./Source	Description	Units	Est. Quan.	Unit Price	Adj. Price	Total Price
	Price, Utah cost adjustment	-	-	-	78.0%	-
0241 16.17 0440	Demolish concrete slab with rebar	CY	624	$7.30	$5.69	$ 3,553
0241 16.17 1140	Demolish footing, 2'x3' with rebar	LF	1,856	$26.95	$21.02	$ 39,015
0241 16.17 2500	Demolish concrete, 12" thick with rebar	CY	188	$24.20	$18.88	$ 3,549
0241 16.13 0500	Demolish small building, steel	CF	576	$0.32	$0.25	$ 144
0241 13.38 2700	Demolish water pipe, 4" diameter	LF	220	$5.25	$4.10	$ 901
0241 13.40 0160	Demolish 18" CMP	Each	215	$4.28	$3.34	$ 718
0241 13.38 1600	Remove electric conduit	LF	1,055	$1.88	$1.47	$ 1,547
0241 13.38 1600	Remove telephone condt	LF	62	$1.88	$1.47	$ 91
3123 16.13 0062	Trench for condiuit removal*	CY	460	$5.80	$4.52	$ 2,081
3123 23.20 4098	Haul debris to landfill (20 mi RT)**	LCY	1,320	$4.83	$3.77	$ 4,973
G1030 125 1300	Cut and fill soil to final grade	CY	1,100	$13.20	$10.30	$ 11,326
3291 19.13 0400	Spread topsoil	CY	500	$5.30	$4.13	$ 2,067
3292 19.14 5300	Apply seed mix	MSF	453	$27.50	$21.45	$ 9,717
3123 23.20 4018	Haul residual coal to Commwealth Coal Services area at Savage facility (2 mi RT)***	LCY	14,815	$2.54	$1.98	$ 29,351
	SUBTOTAL					$ 109,032
	Misc. Costs as a Percent of the Subtotal:					
	Mobilization/demobilization			5 %		$ 5,452
	Misc. supplies			5 %		$ 5,452
	Engineering			6 %		$ 6,542
	Construction inspection			6 %		$ 6,542
	Contingency			10 %		$ 10,903
	TOTAL ESTIMATED COST					$ 143,922

*Excavating for electrical and telephone conduit, water main and 18" CMP assumed to be 2' wide and 4' deep.
**No cost for diposal of construction waste at Carbon County Landfill, Price, Utah.
***Assumes 10,000 tons of residual coal with a unit weight of 50 lb/ft3 (1350 lb/ton) - see Standard Handbook for Civil Engineers, Fourth Edition (1996), Table 15.2(c), average of anthracite and bituminous piled coal

Notes:
1. Adjusted unit price based on total Location Factor of 78.0 for Price, Utah (see Means, p. 532)
2. Commonwealth Coal Services, Inc. has indicated that they will accept the residual coal at no cost.
3. Steel demolition cost to be paid for by the salvage value of the structures.

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Ref.	Description	Materials	Means Reference Number	Unit Cost	Unit	Length	Width	Height	Diameter	Area	Volume	Weight	Density	Time	Number	Unit	Swell Factor	Quantity	Unit	Cost
	Scrape Residual Coal from Surface	Road Grader			S / SY					30						AC				
	Haul Residual Coal Off Site			2.54	$/LCY						14,815					LCY		14815	LCY	37630
1	Demo concrete slab with rebar	Concrete Demo 1	Means 2011	11.38	CY						624					CY		624	CY	7101
		Loading Cost 3 CY FEL	31 23 16 42 1601	1.06	CY						811					CY	1.3	811	CY	860
		Disposal On Site	02 41 16 17 4200	9.15	CY						811					CY		811	CY	7421
2	Demo footing 2' X 3' with rebar	Demo Cost	02 41 16 17 1140	26	LF						1856					LF			LF	48256
		Loading Cost 3 CY FEL	31 23 16 42 1601	1.06	CY	1	2	3			6				0.22	CY/F	1.3	530	CY	562
		Disposal On site	02 41 16 17 4200	9.15	CY						530									4850
3	Demo 12" Slab with Rebar	Demo Cost	02 41 16 17 2500	23.5	CY						188					CY		188	CY	4418
		Loading Cost 3 CY FEL	31 23 16 42 1601	1.06	CY												1.3	244	CY	259
		Disposal On Site	02 41 16 17 4200	9.15	CY													244	CY	2233
4	Demo Small Steel Building		02 41 16 13 0500	0.33	CF						576					CF		576	CF	190
		Loading Cost 3 CY FEL	31 23 16 42 1601	1.06	CY						576					CF	1.3	28	CY	30
		Transport Truck 16 Ton payload	01 54 33 20 5300	718.44	per day						28			0.6		Day		28	CY	431
		Truck Driver, Heavy	Trhv	50.55	per HR									6		HR		6	HR	303
5	Demolish water pipe, 4 " diameter		02 41 13 32 3200	10.75	LF	220										LF		220	LF	2365
6	Demolish 18 " CMP		02630 510 2120	47	LF	255										LF		255	LF	11985
7	Remove Electrical Conduit		02 41 13 38 1600	2.02	LF	1055										LF		1055	LF	2131
		Excavate 2' X 4' trench	G 1030 805 1320	3.46	LF	1055														
8	Remove Telephone Conduit		02 41 13 38 1600	2.02	LF	62										LF		62	LF	125
		Excavate 2' X 4' trench	G 1030 805 1320	3.46	LF	62														
9	Haul Debris to Land Fill	20 Mile round trip	3123 23 20 4098	4.9	LCY						1320									
10	Cut & Fill Soil to Grade	G 1030 125 1300	Means 2011	14	CY						1100				CY			1100	CY	15400
11	Spread Topsoil	3 CY FEL	31 23 16 42 1601	1.06	CY						500				CY					530
	Soil Prep / Packing	Excavation Bulk Bank 2 CY (322BL)	31 23 16 92 0260	1.66	CY						500				CY					830
12	Apply Seed Mix	Hydro spreader (Equip & Labor B-81 80 MS	Reveg 002	19.8	MSF					10.39						AC		453	MSF	8969
		COVOL Seed Mix		620.24	AC					10.39						AC				6444
		Assume 25 % Reveg Rate								10.39						AC				3853
																				167146

Direct Costs		
Subtotal Demolition and Removal	$131,150.00	
Subtotal Backfilling and Grading	$15,400.00	
Subtotal Revegetation	$20,596.00	
Direct Costs	$167,146.00	
Indirect Costs		
Mob/Demob	$16,715.00	10.0%
Contingency	$8,357.00	5.0%
Engineering Redesign	$4,179.00	2.5%
Main Office Expense	$11,366.00	6.8%
Project Mainagement Fee	$4,179.00	2.5%
Subtotal Indirect Costs	$44,795.00	26.8%
Total Cost 2011 Dollars	$211,941.00	

Permit Renewal Septrember 1, 2014
Next Midterm Review 2016 (5 years)

Number of Years to 2016		5
Escalation Factor for 2011		1.004
Escalation	$4,239.00	1.02
Escalated Reclamation Cost to 2016	$216,180.00	
Bond Amount (rounded to nearest $1,000)	$216,000.00	
Posted Bond 2009	$165,000.00	
Difference Between Cost Estimate and Bond	$51,000.00	
Percent Difference	31.00%	

TABLE 3-1

Revegetation Seed Mixture

Means 09

Scientific Name	Common Name	Application Rate (pls lb/acre)	
	Shrubs		
Atriplex gardneri var. cuneata	Castle Valley saltbush	2.0	$35/lb.
Atriplex corrugata	Mat saltbush	3.0	$27/lbs
Atriplex confertifolia	Shadscale	4.0	$10.50
Ceratoides lanata	Winterfat	4.0	$15.00#
	Forbs		
Eriogonum inflatum	Desert trumpet	1.0	
Helianthus annuus	Annual sunflower	4.0	$25/#
Oenothera caespitosa	Evening primrose	0.3	$28/#
Sphaeraicea coccinea	Globemallow	0.5	$100.00/#
	Grasses		
Bouteloua gracilis	Blue grama	0.5	$14/#
Elymus lanceolatus	Thickspike wheatgrass	2.0	$3.50/#
Elymus cinereus	Great Basin wildrye	2.0	$6.22/#
Elymus smithii	Western wheatgrass	1.0	$3.50/#
Hilaria jamesii	Galleta	2.0	$3.00/#
Sporobolus airoides	Alkalai sacaton	0.2	$7.00/#
Stipa comata	Needle and thread	3.0	$40/#
Stipa hymenoides	Indian ricegrass	2.0	$9/#
Distichlis spicata	Saltgrass	0.5	$65/#
TOTAL		**32.0**	

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Costs from 2009 R.S. Means

Area
10.39 AC

	Seed	Application Rate	Cost per Pound	$/Acre
Shrubs				
1	Castle Valley Saltbush	2#/AC	$35/#	$70/AC
2	Mat Saltbush	3#/AC	$27/#	$81/AC
3	Shadscale	4.0#/AC	$10.50/#	$42.00/AC
4	Winterfat	4.0#/AC	$15.00/#	$60.00/AC
				$253/AC
Forbs				
5	Desert Trumpet	1#/AC	?	?
6	Annual Sunflower	4#/AC	$25/#	$100.00/AC
7	Evening Primrose	0.3#/AC	$28/#	$8.4/AC
8	Globemallow	0.5#/AC	$100.00/#	$50.00/AC
				$158.4/AC
Grasses				
9	Blue Grama	0.5#/AC	$14/#	$7.00/AC
10	Thickspike Wheatgrass	2.0#/AC	$3.50/#	$7.00/AC
11	Great Basin wildrye	2.0#/AC	$6.22/#	$12.44/AC
12	Western wheatgrass	1.0#/AC	$3.50/#	$3.50/AC
13	Galleta	2.0#/AC	$3.00/#	$7.00/AC
14	Alkalai sacaton	0.2#/AC	$7.00/#	$1.40/AC
15	Needle & Thread	3#/AC	$40/#	$120/AC
16	Indian Rice Grass	2.0#/AC	$9/#	$18/AC
17	Saltgrass	0.5#/AC	$65/#	$32.50/AC
				~~$182.40~~
				$208.84
		Total Seed Cost/Acre		$620.24

$6,444