GUNNISON COUNTY, COLORADO
COMMUNITY DEVELOPMENT DEPARTMENT – STAFF REPORT for MINOR IMPACT REVIEW
Seaglass Holding, Inc./Minex Exploration
Powderhorn Exploration Project

Land Use Change Permit Application:	Seaglass Holding, Inc./Minex Exploration Powderhorn Exploration Project
Application No.:	LUC #2011-32
Date application scheduled with Planning Commission:	January 11, 2012
Prepared by:	Neal Starkebaum, Assistant Director

APPLICANT:	Seaglass Holding, Inc. 12 N. Washington Street Montoursville, PA 17754
REPRESENTATIVE:	Greg Schifrin Minex Exploration 120 E. Lake Street, Suite 401 Sandpoint, ID 83864
STATUS OF APPLICATION:	Work session on January 11, 2012
ATTACHED EXHIBITS:	▪ Application
PLANNING COMMISSION TASKS AT INITIAL WORK SESSION:	— Acknowledge receipt of application by applicant name, name of development (if applicable) and date of application — Hear applicant presentation — Identify and consider issues — Determine an initial impact classification, considering both by definition and criteria of Section 3-111: B. 1. — Create list at end of meeting of items to be addressed at next meeting, and the date by which related information is to be submitted — Determine if application is ready to be set for public hearing, or if other work session is required

PROJECT DESCRIPTION:	The request is for a land use change permit to conduct mineral exploration in the Powderhorn area. The purpose of the exploration project is to quantify the extent, volume, grade and type of mineralization in the exploration area for rare earth minerals, to determine if further exploration and/or mining development is warranted. Exploration operations will include surface and subsurface activities including soil sampling, rock sampling stream sediment sampling and geophysical sampling. The focus will be primarily on core drilling in order to develop a more complete 3D model of the subsurface mineralization. Drilling will take place at five locations, with 2-3 holes drilled per site. The drilling program depths will be 200' to 500' at each site. Drill pads will be approximately 20' x 35' with a staging area in the immediate vicinity. The project locations are located entirely on unpatented federal lands. There will be 1-8 persons in the exploration area depending upon the specific activities being carried out: 1-3 geologists and 1-4 support staff, including geotechs, drillers and equipment operators. There will be only one drill site operated at one time, with one to two shifts per day.
INITIAL IMPACT CLASSIFICATION:	Minor Impact Project, based upon classification found in *Section 6-102: Projects Classified as Minor Impact Projects O.* **SMALL NEW OR EXPANDED MINING OPERATION.**
OTHER CRITERIA OF IMPACT CLASSIFICATION (SEC. 3-111. B. 1.)	**Demand for public services.** The proposed land use change is expected to generate a minor or a major demand for public services, including roads, transit, schools, water supply, sewage disposal, fire and police protection, and emergency services. **Impacts on impact area and the environment.** The proposed land use change is expected to generate a minor or a major impact on the impact area. **Impacts related to all existing and proposed development and proposed development in impact area.** The impacts of the proposed land use change, when considered in conjunction with existing and proposed land use changes in the impact area, are expected to be minor.
AGENCY AND DEPARTMENT REVIEWS:	▪ Public Works Department ▪ Colorado Division of Parks and Wildlife ▪ Gunnison County Fire Protection District
PROJECT LOCATION:	The project area is located in two locations; one approximately 8.5 miles south of Powderhorn in the vicinity of Rudolph Hill, accessed from the County Road 27 network and one approximately 6 miles northwest of Powderhorn, west of County Road 26. The Rudolph Hill sites: Site No. 1 is located within Section 24, Township 46 North, Range 2 West, N.M.P.M., and Site No. 2 is located within Section 24, Township 46 North, Range 1½ West, N.M.P.M. The County Road 26 sites: Sites No. 3, 4 and 5 are located within Sections 4 & 10, Township 47 North, Range 3 West, N.M.P.M.
SURROUNDING LAND USES:	Federal lands

EA or EIS is required for this project	☐ Yes ☒ No	
Project located in Special Geographic Area	☐ Yes ☒ No	
Phasing proposed	☐ Yes ☒ No	
Is a Partially Exempted land use change (Section 1-106)	☐ Yes ☒ No	
PRE-APPLICATION CONFERENCE:		No pre-application conference was conducted. (Optional)

APPLICABILITY OF *LAND USE RESOLUTION* STANDARDS:

STANDARD, BY LUR SECTION, DIVISION AND/OR ARTICLE	Plan complies, or compliance will be determined during review	Staff Comments/ References to specific documentation
Division 9-400: Exploration, Extraction and Processing of Minerals and Construction Materials	☐ Yes ☐ No ☒ TBD	See end of Staff Report

APPLICABILITY OF *LAND USE RESOLUTION* STANDARDS:

STANDARD, BY LUR SECTION, DIVISION AND/OR ARTICLE	Plan complies, or compliance will be determined during review	Staff Comments/ References to specific documentation
9-101: E. and F.: Secondary residences are allowed, and standards are addressed in covenants	☐ Yes ☐ No ☒ N/A	Not requested as part of this application
9-102: Home occupations	☐ Yes ☐ No ☒ N/A	Not requested as part of this application
9-103: Bed and breakfast	☐ Yes ☐ No ☒ N/A	Not requested as part of this application
9-203: Mobile home communities	☐ Yes ☐ No ☒ N/A	Not requested as part of this application
9-302: Farm or ranch stand	☐ Yes ☐ No ☒ N/A	Not requested as part of this application
9-303: Dude ranches and resorts	☐ Yes ☐ No ☒ N/A	Not requested as part of this application
9-304: Adult-oriented uses	☐ Yes ☐ No ☒ N/A	Not requested as part of this application
9-305: Seasonal recreational vehicle parks and campgrounds	☐ Yes ☐ No ☒ N/A	Not requested as part of this application

9-405: General Development Standards for Mining Operations See separate Section at end of report		
9-501: Special events	☐ Yes ☐ No ☒ N/A	Not requested as part of this application
9-502: Temporary structures	☐ Yes ☐ No ☒ N/A	Not requested as part of this application
9-503: Satellite dishes	☐ Yes ☐ No ☒ N/A	Not requested as part of this application
9-504: Attached wireless communications devices	☐ Yes ☐ No ☒ N/A	Not requested as part of this application
9-505: Freestanding wireless communications structures	☐ Yes ☐ No ☒ N/A	Not requested as part of this application
9-506: Child care center	☐ Yes ☐ No ☒ N/A	Not requested as part of this application
9-507: Group home	☐ Yes ☐ No ☒ N/A	Not requested as part of this application
9-508: Keeping of livestock not on an agricultural operation	☐ Yes ☐ No ☒ N/A	Not requested as part of this application
9-509: Camping on individual parcel	☐ Yes ☐ No ☒ N/A	Not requested as part of this application
9-600: Essential housing	☐ Yes ☐ No ☒ N/A	Not requested as part of this application
10-102: Locational standards for residential development	☐ Yes ☐ No ☒ N/A	Not requested as part of this application
10-103: Residential density	☐ Yes ☐ No ☒ N/A	Not applicable, no residential use is requested as part of this application
10-104: Locational standards for commercial, industrial or other non-residential uses	☐ Yes ☐ No ☒ N/A	Not applicable.
11-102: Voluntary best management practices	No submittal requirements and no standard	
11-103: Development in flood hazard areas	☐ Yes ☐ No ☒ N/A	The project areas are not located within a 100-year floodplain.
11-104: Development in geologic hazard areas	☐ Yes ☐ No ☒ N/A	The project areas are not within a mapped geologic hazard area.
11-105: Development in wildfire hazard areas	☐ Yes ☐ No ☐ N/A	The project areas are within a low wildfire hazard classification, as identified on County mapping.
11-106: Protection of wildlife habitat areas	☐ Yes ☐ No ☐ N/A	The northern project area is within occupied Sage-grouse habitat. A referral has been sent to the County Wildlife Coordinator and the Colorado Division of Parks and Wildlife for comment.
11-107: Protection of water quality	☐ Yes ☐ No ☒ N/A	Not applicable. No water bodies are in the immediate area of the drill pads.

11-108: Standards for development on ridgelines	☐ Yes ☐ No ☒ N/A	Not applicable.
11-109: Development that affects agricultural lands	☐ Yes ☐ No ☒ N/A	Not applicable.
11-110: Development beyond snowplowed access	☐ Yes ☐ No ☒ N/A	The applicant has not identified snowplowing to the project areas.
11-111: Development on Inholdings in national wilderness	☐ Yes ☐ No ☒ N/A	The project areas are not an inholding.
11-112: Development above timberline	☐ Yes ☐ No ☒ N/A	The project areas are not above timberline.
12-103: Road system	☒ Yes ☐ No ☐ N/A	The access to the project areas is via County and BLM roads. Heavy equipment assoicated with the exploration operation will be transported using standard vehicular haulage. A referral has been sent to County Public Works for comment.
12-104: Trails	☐ Yes ☐ No ☒ N/A	Not applicable.
12-105: Water Supply	☒ Yes ☐ No ☐ N/A	Not applicable.
12-106: Wastewater treatment	☐ Yes ☐ No ☒ N/A	No wastewater treatment, aside from temporary porta-lets are required as part of this application.
12-107: Fire protection	☐ Yes ☐ No ☐ N/A	The project areas are within the Gunnison Fire Protection District; a referral has been sent to the District.
13-102: B.: Location within municipal three-mile plan area	☐ Yes ☐ No ☒ N/A	Not applicable.
13-103: General Site Plan Standards And Lot Measurements	☐ Yes ☐ No ☒ N/A	Not applicable.
13-104: Setbacks From Property Lines And Road Rights-Of-Way	☐ Yes ☐ No ☒ N/A	Not applicable.
13-105: Residential Building Sizes And Lot Coverages	☐ Yes ☐ No ☒ N/A	Not applicable.
13-106: Energy And Resource Conservation	☐ Yes ☐ No ☒ N/A	Not applicable.
13-107: Installation Of Solid-Fuel-Burning Devices	☐ Yes ☐ No ☒ N/A	Not applicable.
13-108: Open Space And Recreation Areas	☐ Yes ☐ No ☒ N/A	Not applicable.
13-109: Signs	☐ Yes ☐ No ☒ N/A	Not applicable.

13-110: Off-Road Parking And Loading	☒ Yes ☐ No ☐ N/A	There is adequate area for parking.
13-111: Landscaping And Buffering	☐ Yes ☐ No ☒ N/A	Not applicable.
13-112: Snow Storage	☐ Yes ☐ No ☒ N/A	Not applicable.
13-113: Fencing	☐ Yes ☐ No ☒ N/A	No fencing has been identified in the application.
13-114: Exterior Lighting	☐ Yes ☐ No ☒ N/A	Exterior lighting for the drilling rig may be allowed for safety and security.
13-115: Reclamation And Noxious Weed Control	☐ Yes ☐ No ☒ N/A	Compliance with this Section, as applicable.
13-116: Grading And Erosion Control	☐ Yes ☐ No ☒ N/A	No grading is proposed. Standard best management practices are required for erosion control.
13-117: Drainage, Construction And Post-Construction Storm Water Runoff	☐ Yes ☐ No ☒ N/A	Standard best management practices are required for erosion control and stormwater runoff.
13-118: Water Impoundments	☐ Yes ☐ No ☒ N/A	No water impoundments are proposed as part of this application.
13-119: Standards To Ensure Compatible Uses	☐ Yes ☐ No ☐ N/A ☒To be determined during review	To be determined by the Planning Commission during review of the application.

SECTION 9-405: GENERAL DEVELOPMENT STANDARDS FOR MINING OPERATIONS

The following standards in addition to the other standards of this *Resolution* shall be applied in reviewing all proposed mining operations:

A. ACCESS AND TRANSPORTATION PLAN.

The access to the project area is via County and BLM roads. Heavy equipment assoicated with the exploration operation will be transported using standard vehicular haulage. A referral has been sent to County Public Works for comment.

1. ROAD DAMAGE AND MAINTENANCE.

a. VEHICLE WEIGHT.

The applicant is required to comply with federal, state and local regulations**.**

b. APPLICANT BEARS COST.

Not applicable.

c. SEASONAL TRAFFIC LIMITATION.

The applicant shall comply with any seasonal limitations imposed by the County Public Works Department. No snowplowing of access to the project area has been identified.

2. ROUTING.

a. AVOIDANCE OF DEVELOPED AREAS.

The access to the project areas is rural and undeveloped.

1. **REVIEW BY AFFECTED AGENCY OR ASSOCIATION**.
   Not applicable**.**

2. **CONSIDERATION OF PUBLIC BENEFIT**.
   Not applicable**.**

b. TIMING OF HAUL TRAFFIC.
The Public Works Department may impose limitations on the timing of traffic. Other than transport of the equipment necessary for the drilling operations, no haulage is proposed.

3. MITIGATION TO PROVIDE DUST CONTROL AND EFFECTS OF LOAD LOSS.
A referral has been sent to County Public Works for comment.

a. AIR QUALITY MONITORING.
Not applicable.

4. TRUCK AND CRUSHER NOISE.
Not applicable.

5. POST-OPERATIONAL ACCESS TO MINE SITE.
Not applicable.

B. ROCK CRUSHER, ASPHALT PLANT, CEMENT BATCH PLANT.
Not applicable.

C. IMPACTS ON ENVIRONMENTAL AND CULTURAL RESOURCES.

1. WATER. No water bodies or stream are located in proximity to the drilling sites.

a. WATER QUALITY.
Applicable.

b. WATER QUANTITY.
Not applicable.

c. HYDROLOGIC BALANCE.
Not applicable.

d. AUGMENTATION PLAN.
Not applicable.

e. WELLS.
Not applicable.

f. RECYCLING.
Not applicable.

g. HAZARDOUS MATERIALS.
The applicant is required to comply will all state and federal regulations.

2. **AVOIDANCE OF SENSITIVE AREAS.**
The northern project area is located within Occupied Sage-grouse habitat. Referral has been sent to the County Wildlife Coordinator and the Colorado Division of Parks and Wildlife.

3. **AIR QUALITY**.
   a. **MONITORING.**
   Not applicable.

   b. **ODOR AND DUST CONTROL.**
   Not applicable.

4. **SIGNIFICANT CULTURAL, HISTORICAL AND ARCHEOLOGICAL RESOURCES**.
   a. **RESOURCES TO BE PRESERVED TO MAXIMUM EXTENT FEASIBLE.**
   Applicable.

   b. **RESOURCES IDENTIFIED DURING OPERATIONS**.
   Applicable.

D. MINE WASTES AND HAZARDOUS MATERIALS.

1. **CYANIDE HEAP LEACHING PROHIBITED**.
Not applicable.

2. **MINE WASTE PILES**.
Not applicable.

3. **HAZARDOUS WASTE TREATMENT.**
Not applicable.

4. **NON-HAZARDOUS WASTE TREATMENT.**
Applicable.

5. **HAZARDOUS MATERIALS**.
Not applicable

E. VISUAL IMPACTS.
The visual impacts will be limited to the area in the vicinity of the drill pads. Due to the temporary nature of the operations, no significant changes to the existing visual impacts of the site are reasonably likely to result from the drilling.

1. **MITIGATION.**

   a. **MINIMIZE DISTURBED AREA**.
   Applicable. The applicant has identied the drilling pad area disturbed as approximately 20’ x 35’.

   b. **MINIMIZE OFF-SITE IMPACT**.
   Not applicable**.**

   c. **PHASING.**

Not applicable**.**

d. EXPEDITING RECLAMATION.
Not applicable**.**

e. SCREENING AND VISIBILITY.
Applicable**.**

f. ROADS.
Not applicable**.**

g. BLASTING.
Not applicable**.**

F. GENERAL OPERATIONS.

1. COMPLIANCE WITH MSHA.

As applicable.

2. HOURS OF OPERATION.
The applicant has identified that the operation will operate 24-hours/day in two12-hour shifts.

a. TEMPORARY OPERATIONS OUTSIDE THE APPROVED HOURS OF OPERATIONS.
As may be applicable, the applicant may request additional hours.

3. PHASING OF MINING OPERATIONS.
Not applicable.

4. FIRE PROTECTION.
Applicable.

5. FENCING.

a. SAFETY.
No fencing is required.

b. VISIBILITY.
Not applicable.

6. NOISE.

a. NOISE MITIGATION MEASURES.
Based upon the location and distance from residential areas, no noise mitigation plan is required.

b. MONITORING.
Not applicable.

c. MAXIMUM PERMISSIBLE NOISE LEVELS.
The operation is required to comply with the maximum permissible noise levels.

1. **WARNING DEVICES EXEMPTED**. Devices required by MSHA, or the U.S. Department of Labor, are exempt from this standard.

2. **SAGE GROUSE BREEDING AREA NOISE LIMITS**.
Not applicable.

G. POST-OPERATIONAL LAND USE.

1. **STATE AND FEDERAL RECLAMATION REQUIREMENTS**.
Applicable.

2. **COUNTY PRIORITIES.**
Not applicable.

3. **RECLAMATION TO BE COMPLETED PURSUANT TO MLRD RECLAMATION PLAN.**
Not applicable.

4. **REVEGETATION.**
Not applicable.

   a. **THREE YEAR MAINTENANCE REQUIRED**.
   Not applicable.

Section 9-406: ADDITIONAL FINANCIAL SECURITY.
Not applicable.