DRAFT

ENVIRONMENTAL ASSESSMENT
TUNGSTEN HOLDINGS, INC.
4TH OF JULY GRAVEL SITE
LINCOLN COUNTY, MONTANA

This Environmental Assessment (EA) is required under the Montana Environmental Policy Act (MEPA). An EA functions to identify, disclose, and analyze the impacts of a proposed action. This document may disclose impacts that have no legislatively required mitigation measures, or over which there is no regulatory authority.

The state law that regulates gravel mining operations in Montana is the Opencut Mining Act. This law and the rules adopted there under place operational guidance and limitations on a project during its lifetime, and provides for the reclamation of land affected by opencut mining operations.

Approval or denial of the application will be based on a determination of whether or not the proposed operation complies with the Opencut Mining Act, the Rules adopted there under, and local laws and regulations--not on the popularity of the project.

This site is being considered for a mining permit even though the volume to be removed is the very minimum for permitting under the Opencut Act. The applicant has distributed Resident Notification Forms to persons occupying homes in the area as requested by the DEQ. DEQ has received Resident Notification Forms filled out from two individuals who wanted to see this EA, and a letter from four individuals who had concerns about the proposed operation. The major concerns iterated in the letter were dust, noise, highest and best reclaimed use, storm water runoff, and traffic safety. Those issues have been addressed in the relevant sections below.

PROPONENT: **Tungsten Holdings, Inc.**
PROJECT NAME: **Opencut Gravel Mining – Fourth of July Site**
LOCATION: **SE¼ SE¼ Section 16, T34N, R33W** **COUNTY:** **Lincoln**

TYPE AND PURPOSE OF ACTION:

The applicant proposes to mine, crush and haul 10,000 cubic yards of gravel from a pit located ½ mile south of Sylvanite just off of the Yaak River Road. The site is a gravel outwash deposit in the foothills of the Purcell Mountain Range above the Yaak River Valley approximately 1300 feet north of the confluence of Fourth of July Creek and the Yaak River at approximately 2680 feet, MSL. Groundwater lies approximately 18 feet below the ground surface. The site would be mined into rising topography, in an area where the topsoil averages 4" to 8" (mainly forest duff). The slopes of the reclaimed area would be reduced to 3:1 or flatter and the floor would be graded fairly flat, and planted into grasses. The site would be reclaimed by December 2016.

A: Significant Unavoidable Impacts. B: Insignificant as a result of conditioned mitigation. C: Insignificant as proposed.

				POTENTIAL IMPACTS		
	A	B	C	LONG TERM	SHORT TERM	EXPLANATION
PHYSICAL ENVIRONMENT						
1. TOPOGRAPHY			X	X		**Mining would permanently alter the topography, but the site would be graded to a stable landscape that blends with the surrounding topography.**
2. GEOLOGY; Stability						**No effect on Geology.**
3. SOILS; Quality, Distribution			X		X	**Soils would be stripped, saved and replaced after mining is finished.**
4. WATER; Quality, Quantity; Distribution			X		X	**The operation would not affect ground or surface waters including the nearby Fourth of July Creek or the Yaak River.**
5. AIR; Quality			X		X	**Some deterioration of air quality would occur, but episodes would be infrequent. Dust would be controlled around the site with a water truck. The operator would be responsible to control dust.**
6. UNIQUE, ENDANGERED, FRAGILE, or LIMITED environmental resources						**No unique, endangered, fragile or limited species or habitat are known at this site.**
BIOLOGICAL ENVIRONMENT						
1. TERRESTRIAL, AVIAN, and AQUATIC; species and habitats			X		X	**Wildlife displaced during active mining would return following reclamation.**
2. VEGETATION; Quantity, quality, species			X		X	**Existing forest would be replanted into grasses of a compatible type.**
3. AGRICULTURE; grazing, crops, production			X		X	**The site has been logged of most merchantable timber, but some trees are regenerating themselves. Forest land would be temporarily taken out of production, and would be replanted with grasses.**
HUMAN ENVIRONMENT						
1. SOCIAL, structures and mores						**No Social impacts are anticipated.**
2. CULTURAL; Uniqueness, diversity						**No unique or diversified cultural values exist.**
3. POPULATION; quantity and diversity						**No effect on the population is anticipated.**
4. HOUSING; quantity and distribution						**No effects are anticipated on the quantity or distribution of housing due to this gravel pit. Regarding the effects of this operation on property values, the State contracted for a study to determine "whether the existence of a gravel pit and gravel operation impacts the value of surrounding real property." The study conducted in 1998 in Flathead County is entitled: "Gravel Pits: The Effect on Neighborhood Property Values," by Phillip J. Rygg, MAI, Appraisal Research Group, Kalispell, Montana, February 1998. In his review of the study Jim Fairbanks, Region 3 Manager of the**

						Montana Department of Revenue, Property Assessment Division said: **"In the course of responding to valuation challenges of ad valorem tax appraisals, your reviewer has encountered similar arguments from Missoula County taxpayers regarding the presumed negative influence of gravel pits, BPA power lines, neighborhood character change, and traffic and other nuisances. In virtually ALL cases, negative value impacts were not measurable. Potential purchasers accept newly created minor nuisances that long-time residents consider value diminishing."** **The applicant distributed Resident Notification forms to occupied residences within 1,000 feet of the proposed permit, as required. DEQ does not require applicants to notify owners of individual lots where residences currently do not exist.**
5. HUMAN HEALTH & SAFETY			X		X	**Some dust and additional traffic would be generated at the site. The operator would have to comply with existing traffic and air quality laws.**
6. COMMUNITY & PERSONAL INCOME			X		X	**The landowner may benefit from additional revenue or value added by this operation.**
7. EMPLOYMENT; quantity and distribution			X		X	**No additional employees would be hired to assist in daily operations.**
8. TAX BASE; local and state tax revenue			X		X	**Additional taxes may be generated for the state and county as aggregates are hauled and used to improve adjacent land.**
9. GOVERNMENT SERVICES; demand			X		X	**The site would be monitored through its permit life along with other sites in the area.**
10. INDUSTRIAL, COMMERCIAL and AGRICULTURAL activities			X		X	**The site would be removed from forest use, and used industrially until reclamation when it would be reclaimed to grassland.**
11. HISTORICAL AND ARCHAEOLOGICAL						**No historical, cultural or archaeological values are present.**
12. AESTHETICS			X		X	**The site would sit back several hundred feet from the Yaak River Road and is somewhat visible to the general public. The Opencut Act does not require that a mined site be reclaimed to its highest and best use, only that it be reclaimed to a beneficial use. The proposed reclaimed use meets that criteria by providing a graded, grass covered landscape with stable soils that would be usable as habitat for birds and mammals indigenous to the area. The landowner has conceptual plans to develop the site into a rural-residential area.** **There would be some noise generated by the operation, but the restricted hours of operation from Monday through Friday, 7 AM to 7 PM, would reasonably mitigate that impact by limiting noise to normal daytime working hours so that they would not impact people who are trying to sleep at night, or who wish to enjoy weekend activities. Sonic backup alarms are required on mobile equipment for worker safety by the Mine Health and Safety Administration (MSHA). The decibel**

						level of the alarms is regulated by MSHA. Mobile equipment could operate near the boundaries of the site and could be within 1,000 feet of some homes. There are no other regulatory limits on noise generated at a mine site other than for worker safety within the operation itself.
13. ENVIRONMENTAL PLANS and GOALS; local and regional						**The Lincoln County Planning Director has declared this operation to be in compliance with local zoning regulations for this type of activity. This site is planned to be part of a local subdivision.**
14. DEMANDS on ENVIRON-MENTAL RESOURCES of land, water, air and energy						**There would be no unusual demands on environmental resources due to this proposal.**
15. TRANSPORTATION; networks and traffic flows			X		X	**There would be some additional traffic added as this gravel pit accesses the nearby roads.**

ALTERNATIVES CONSIDERED: **The Department would deny an incomplete application or one that does not comply with the Act or Rules. The proponent could then submit a modified application or submit an application for another site.**

PUBLIC INVOLVEMENT: **Agencies and individuals involved in the process included the Montana Natural Heritage Program, State Historic Preservation Office, local zoning authorities, county weed control board, and the landowner.**

OTHER GROUPS OR AGENCIES CONTACTED OR WHICH MAY HAVE OVERLAPPING JURISDICTION: **DEQ's Air Resources Management Bureau regarding air quality, DEQ's Water Protection Bureau regarding water discharge, MSHA and OSHA regarding mine safety.**

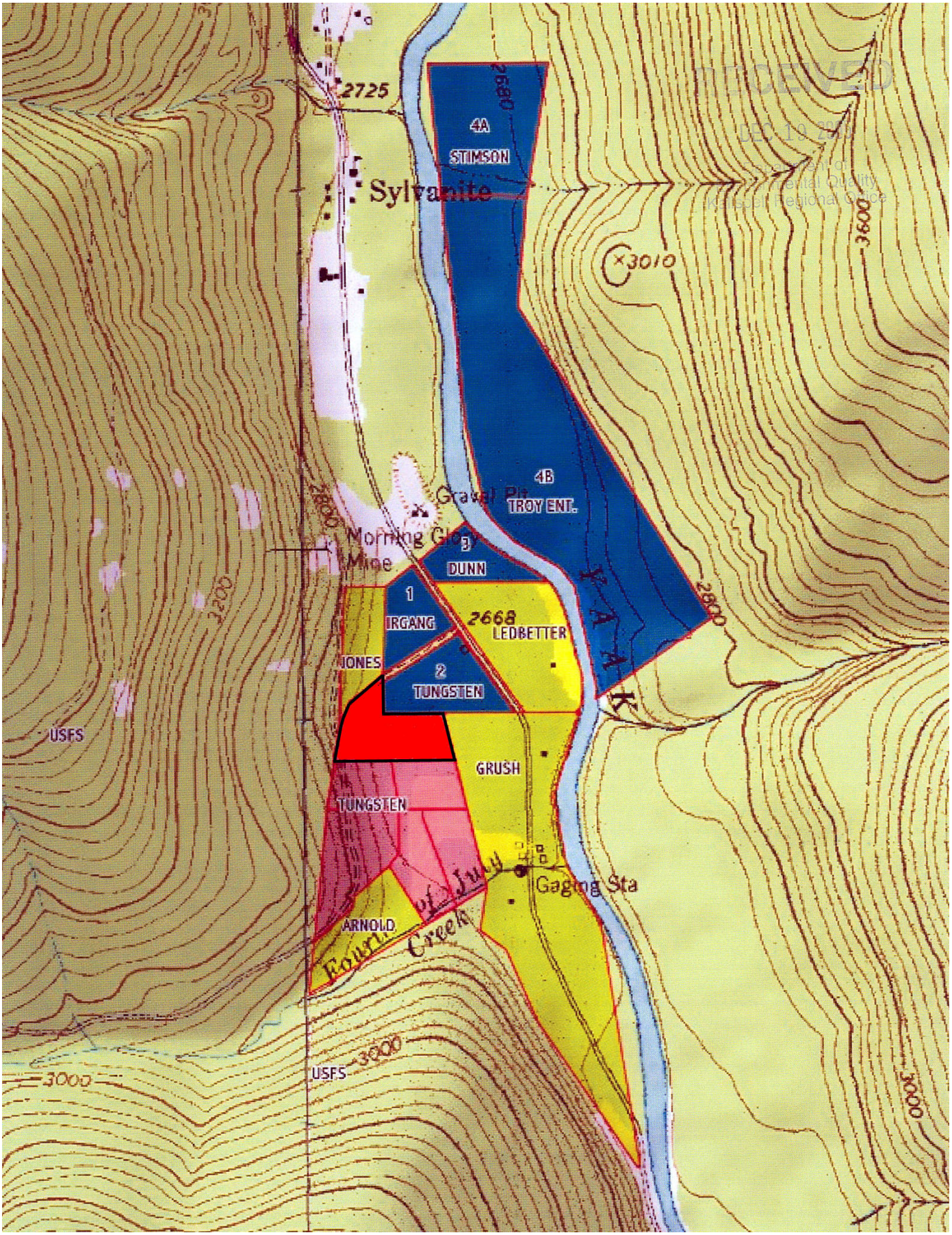
REGULATORY IMPACT ON THE APPLICANT'S PRIVATE PROPERTY: **The analysis done in response to the Private Property Assessment Act indicates no impact. The Department does not plan to deny the application or impose conditions that would restrict the use of private property so as to constitute a taking.**

INDIVIDUALS OR GROUPS CONTRIBUTING TO THIS EA: **None**

RECOMMENDATION FOR FURTHER ENVIRONMENTAL ANALYSIS: **No further analysis is required.**

Approved By _____ _____
(Signature) (Date)

Prepared by Rod Samdahl



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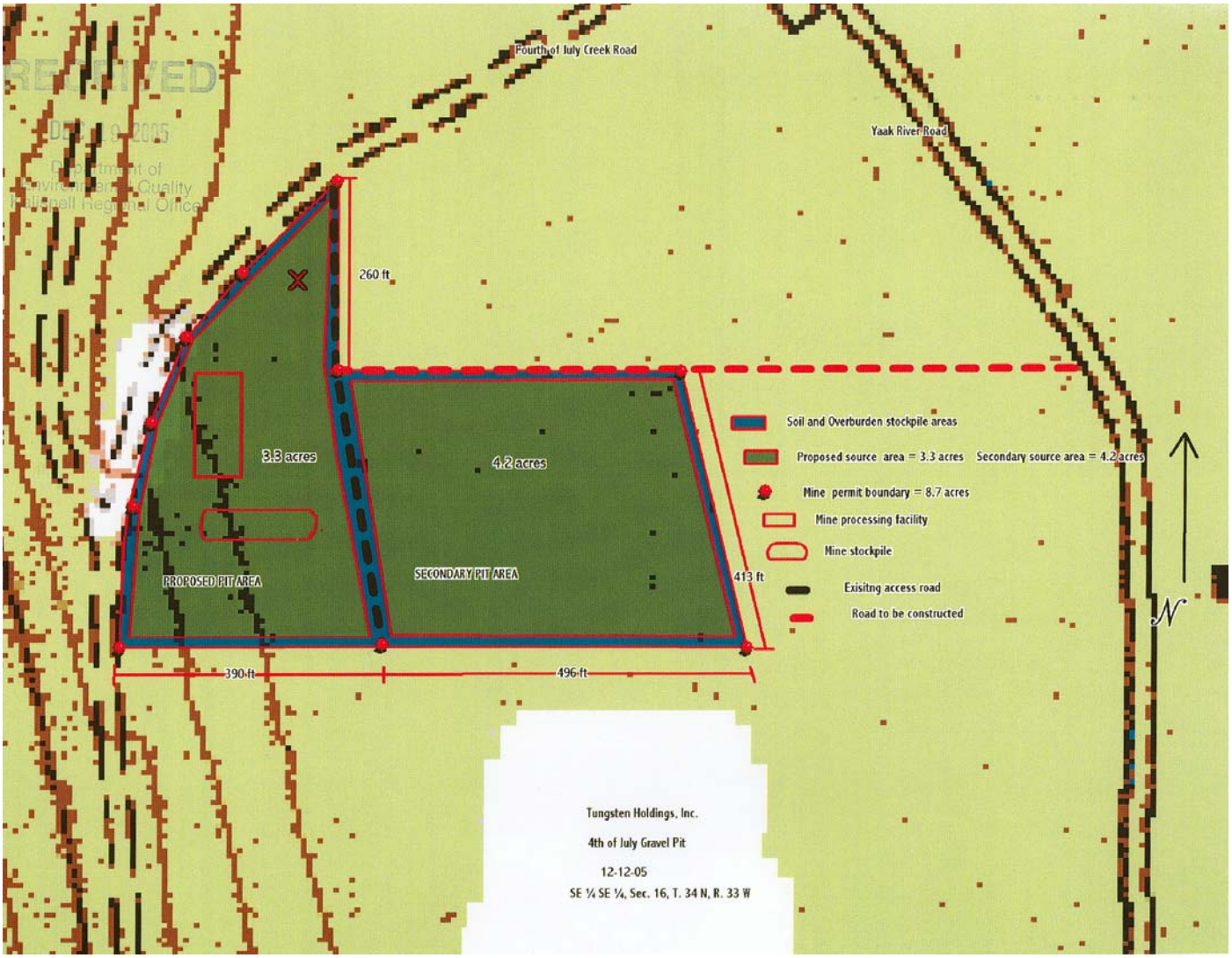
Fourth of July Creek Road
Yaak River Road
260 ft
3.3 acres
4.2 acres
PROPOSED PIT AREA
SECONDARY PIT AREA
413 ft
390 ft
496 ft
Soil and Overburden stockpile areas
Proposed source area = 3.3 acres
Secondary source area = 4.2 acres
Mine permit boundary = 8.7 acres
Mine processing facility
Mine stockpile
Exisitng access road
Road to be constructed
N
Tungsten Holdings, Inc.
4th of July Gravel Pit
12-12-05
SE ¼ SE ¼, Sec. 16, T. 34 N, R. 33 W