Montana Department of
ENVIRONMENTAL QUALITY

Brian Schweitzer, Governor

P.O. Box 200901 • Helena, MT 59620-0901 • (406) 444-2544 • www.deq.mt.gov

January 12, 2009

Interested Party List

**RE: Final Checklist EA for Valley Sand and Gravel, LLC for an Operating Permit**

Dear Reader:

Valley Sand and Gravel, LLC (VSG) located at 7510 Applegate Drive, Helena, MT 59602 filed an application for an Operating Permit on June 19, 2007, from the Montana Department of Environmental Quality (DEQ), Environmental Management Bureau in Helena. The application was later revised on February 13, 2008 and again on July 21, 2008.

The proposed site is about 11 miles north of Helena, MT in portions of Section 26 and 35, Township 12 North, Range 4 West in Lewis and Clark County. Existing roads would be used to access the proposed quarry site. Access roads for public use have been established through state land, and border the site to the north and west. A road connects Applegate Drive with Loren Road, providing access to the site. Mining would take place alongside the boundary of this road, eliminating the need for additional access road construction. The site would consist of a total of about 371 acres of which no more than 30 acres would be disturbed at any one time.

VSG proposed expanding a quarry and rock crushing operation currently covered under a Small Miner Exclusion Statement (SMES). This proposed expansion would exceed the acreage allowed under an SMES, and therefore an Operating Permit must be obtained. The crushed rock would be used for road base material and concrete mix. The quarry would be excavated using heavy equipment such as excavators, loaders, and dozers, as well as screening equipment. Some blasting may occur. The excavated areas would be sloped and contoured to blend in with the surrounding areas.

The DEQ issued a Draft Checklist Environmental Analysis (CEA) on November 13, 2008 evaluating the potential impacts from the quarry and asked for comments on the proposed operation. The Draft CEA addressed issues and concerns raised during public involvement and from agency scoping. A number of comments have been received. Based on the comments a number of stipulations are being attached to the permit as follows:

1) salvage 12 inches of soil growth media where feasible to improve reclamation success on the site and improve productivity of the reclaimed plant community, and;

2) limit the depth of excavation throughout the south quarry to 35 feet below natural ground surface to avoid interception of groundwater,

3) seed soil stockpiles immediately after each soil stripping campaign before the soil becomes crusted and before weeds can germinate,

4) seed all road berms and other miscellaneous disturbances to control dust and limit noxious weed invasion,

5) the hours of operation would be changed to start at 8:00 am,

6) if requested by the property owner the pre-blasting survey would also include water quality and quantity of springs within one-half mile of the proposed permit boundary.

Responses to public comments on the Draft CEA are posted on the DEQ website at: http://deq.mt.gov/ea/hardrock.asp. A hard copy of the responses will be mailed out upon request.

The Draft EA noted that VSG committed to remain 300 feet away from active black tailed prairie dog burrows. During an inspection of the site on December 9, 2008 it became apparent that burrowing animals, assumed to be black-tailed prairie dogs, have encroached beyond where they were originally known to exist. The DEQ will work with the US Fish and Wildlife Service and VSG to develop a replacement plan to accommodate both black tailed prairie dogs and the private landowner.

The agency has decided to approve the permit as proposed contingent on posting of the reclamation bond in the amount of $116,079. Following are the approved permit conditions:

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| Total Permit Area: 371 acres | Bonded Acres: 20 acres* |
| Permitted Disturbance: 30 acres | Bond: $116,079 |

*VSG must notify the Department prior to exceeding 20 acres of disturbance. Disturbance may not exceed 30 acres at any one time.

The site would have a total permitted acreage of about 371 acres of which 30 acres could be disturbed at any one time. This may change as new acreage or sites could be added through amendment or revisions after environmental analysis.

Information on the VSG operating permit application can be obtained by writing or calling the Montana Department of Environmental Quality, c/o Herb Rolfes, P.O. Box 200901, Helena, MT 59620, telephone (406) 444-3841; e-mail address hrolfes@mt.gov.

Warren D. McCullough

Warren D. McCullough, Chief
Environmental Management Bureau

1/12/09
Date

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