

ENVIRONMENTAL ASSESSMENT

On an Application for an OPENCUT MINING PERMIT

The Montana Department of Environmental Quality (DEQ) prepared this Environmental Assessment (EA) in accordance with requirements of 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 thereunder place operational guidance and limitations on a project during its lifetime, and provide for the reclamation of land affected by opencut mining operations.

Local governments and other state agencies may have authority over different resources and activities under their regulations. Approval or denial of this Opencut Application will be based on a determination of whether or not the proposed operation complies with the Opencut Mining Act and the rules adopted thereunder. The DEQ approval of this application would not relieve the operator from the obligation to comply with any other applicable federal, state, or county statutes, regulations, or ordinances. The operator is responsible for obtaining any other permits, licenses, approvals, etc. that are required for any part of the proposed operation.

APPLICANT: Smith Contracting Inc.

COUNTY: Jefferson

SITE NAME: Jungle Pond

DATE: April 2012

LOCATION: Section 2, T1 N, R4 W

PROPOSAL: The applicant proposes to permit a new, short-term gravel pit to mine, screen, crush, stockpile and transport 60,000 cubic yards of gravel from a 5.3-acre site located one mile southeast of Whitehall. The site is currently irrigated by a center-pivot line. Numerous streams and tributaries connect to the Jefferson Slough in this area. A reclamation bond would be held by DEQ to ensure that final reclamation of the site to wildlife pond and cropland/hayland would be completed by July 2016. This application contains all items required by the Opencut Mining Act and its implementing rules. Proponent commits to properly conducting opencut operations and would be legally bound by the permit.

IMPACTS ON THE PHYSICAL ENVIRONMENT	
RESOURCE	POTENTIAL IMPACTS AND MITIGATION MEASURES
1. TOPOGRAPHY, GEOLOGY AND SOIL QUALITY, STABILITY AND MOISTURE:	<p>The site is a relatively flat low-level alluvial terrace. It is part of the floodplain formed by the Jefferson Slough and associated tributaries. The site consists of Cardwell, Pieriver and Riverrun loam and sandy loam soils. The operator would replace 16 inches of soil and six inches of overburden. The site receives approximately 12 inches of precipitation per year.</p> <p><i>Impacts:</i> An irreversible and irretrievable removal of gravel from the site would occur. A small impact to the quantity and quality of soils from salvaging, stockpiling, and resoiling activities also would occur, but this would not impair the capacity of the soils to support full reclamation. There are no unusual topographic, geologic, soil, or special reclamation considerations that would prevent reclamation success.</p>
2. WATER QUALITY, QUANTITY AND DISTRIBUTION	<p>The numerous streams and tributaries that connect in this area include Whitetail Creek, Big Pipestone Creek and channels of Jefferson Slough. Jefferson Slough is located to the south (480 ft.) and southeast (310 ft.); a shallow backwater</p>

IMPACTS ON THE PHYSICAL ENVIRONMENT	
RESOURCE	POTENTIAL IMPACTS AND MITIGATION MEASURES
	<p>slough with cattails and open water is located 50 ft. east of the proposed east boundary. Big Pipestone Creek is located 50 to 120 feet north of the site. It flows west to east and has a confluence with Whitetail Creek 330 ft. east of the site.</p> <p>Water would be used on-site for dust control. It would come from the excavated pit. The Montana DNRC has advised the Operator that a water right would need to be acquired if the pit water is put to a beneficial use.</p> <p><i>Impacts:</i> The proposed activities would have a minimal effect on the quantity and quality of the surface and groundwater resources.</p> <p><i>Cumulative:</i> Cumulative impacts of the proposed action on resources would be negligible.</p>
3. AIR QUALITY	<p>Air quality standards are based upon the Clean Air Act of Montana and pursuant rules and are administered by the DEQ Air Resources Management Bureau (ARMB). Its program is approved by the Environmental Protection Agency (EPA). These rules and standards are designed to be protective of human health and the environment.</p> <p>Air quality permits would be required on the processing equipment before installment. Machinery, such as generators, crushers and asphalt plants, are individually permitted for allowable emissions. Best Available Control Technology (BACT) is the usual standard applied.</p> <p>Fugitive dust is that which blows off the pit floor, stockpiles, gravel roads, farm fields, etc. It is considered to be a nuisance but not harmful to health.</p> <p><i>Impacts:</i> Air quality standards as set by the federal government and enforced by the ARMB would allow minimal detrimental air impacts.</p>
4. VEGETATION COVER, QUANTITY AND QUALITY	<p>There are no known rare or sensitive plants or cover types present in the site area. Onsite vegetation consists of pasture-hay grasses; and provides approximately 95% cover. The vegetation would be removed as soil is stripped and the site would be replanted with plant species compatible with the reclaimed use of cropland/hayland.</p> <p><i>Impacts:</i> No long term detrimental impacts to the vegetation would occur.</p>
5. TERRESTRIAL, AVIAN AND AQUATIC LIFE AND HABITATS:	<p>Although the area is used primarily for cropland and pasture, it also supports populations of deer, rodents, water fowl, song birds, coyotes, foxes, raptors, insects and various other animal species. Population numbers for these species are not known.</p> <p><i>Impacts:</i> The proposed mine is expected to temporarily displace some individual species and it is likely that the site would be re-inhabited following reclamation to similar habitat.</p>
6. UNIQUE, ENDANGERED, FRAGILE OR LIMITED ENVIRONMENTAL RESOURCES:	<p>The Montana Natural Heritage Program (MNHP) lists the following seven species of concern in the vicinity of the site:</p> <p>Great Blue Heron (<i>Ardea herodias</i>) is the largest heron in North America, 60 cm tall and 97 to 135 cm long. Its upper parts are gray, and the fore-neck is streaked with white, black, and rust-brown. Great Blue Herons breed from southern Alaska southeast across central Canada to Nova Scotia and south to Guatemala, Belize, and the Galapagos Islands. Most Montana nesting colonies</p>

IMPACTS ON THE PHYSICAL ENVIRONMENT	
RESOURCE	POTENTIAL IMPACTS AND MITIGATION MEASURES
	<p>are in cottonwoods along major rivers and lakes; a smaller number occur in riparian ponderosa pines and on islands in prairie wetlands. Great Blue Herons eat mostly fish but also amphibians, invertebrates, reptiles, mammals, and birds. Disturbance by humans and loss of protected colony sites are major threats.</p> <p>Bald eagle (<i>Haliaeetus leucocephalus</i>) is a bird of prey found in North America that is most recognizable as the national bird and symbol of the United States of America. This sea eagle has two known sub-species and forms a species pair with the white-tailed eagle. Its range includes most of Canada and Alaska, all of the contiguous United States and northern Mexico. It is found near large bodies of open water with an abundant food supply and old-growth trees for nesting.</p> <p>Burrowing owl (<i>Athene cunicularia</i>) can be identified from other owl species by the fact that they live in the ground. This species is migratory in the northern portion of its range, which includes Montana. They winter south of the U.S.-Mexico border. Burrowing owls are found in open grassland habitat where they nest and roost in abandoned animal burrows.</p> <p>Pinyon Jay (<i>Gymnorhinus cyanocephalus</i>) is a small blue crestless bird about 26-29 cm in total length. They are permanent residents in the state of Montana. Their habitat includes low-elevation ponderosa pine and limber pine-juniper woodlands. They are generally omnivorous, with pine seeds forming an important component of the diet. Juniper berries, wild fruits, agricultural grains, and animal matter are also eaten. Loss of ponderosa pine woodlands is probably the greatest threat to Pinyon Jays in Montana.</p> <p>Clark's Nutcracker (<i>Nucifraga columbiana</i>) is a jay-sized corvid that is crowlike in build and flight, with moderate sexual size dimorphism. The bird is light to medium gray with varying amounts of white around the eyes, on forehead and on chin; white around vent and at base of tail; wings and tail glossy black. The bird has a long, pointed, black bill with short nasal bristles and makes a distinctive grating call audible at great distance.</p> <p>Loggerhead shrike (<i>Lanius ludovicianus</i>) is a medium-sized songbird. Its summer range includes all of Montana. It winters from very southern Oregon, southern Kansas, Tennessee, and Virginia southward to southern Mexico. Nests are found in sagebrush, bitterbrush, and greasewood, and are equally successful in all three.</p> <p>Arctic Grayling (<i>Thymallus arcticus</i>)- The Arctic grayling is a species native to northern North America. The fluvial or river-dwelling population in the upper Big Hole River are the last remnants of this native Fish of Special Concern. Today in Montana, Arctic grayling are found primarily in small, cold, clear lakes with tributaries suitable for spawning. They do not coexist well with other fishes except cutthroat trout and others with which they evolved. Although fluvial Arctic grayling inhabit the entire Big Hole River, highest densities occur in the vicinity of Wisdom.</p> <p><i>Impacts:</i> None of the listed species have been found on this site. Even if suitable habitat did exist on this site, the disturbance area would be small and large areas of similar or identical habitat surrounds the site. The possible impact to these species would be minimal.</p>
7. HISTORICAL AND ARCHAEOLOGICAL SITES	The Montana State Historic Preservation Office (SHPO) was notified of the application. It reported that no sites have been discovered previously on this property. A pedestrian survey of the area by DEQ personnel did not reveal any

IMPACTS ON THE PHYSICAL ENVIRONMENT	
RESOURCE	POTENTIAL IMPACTS AND MITIGATION MEASURES
	artifacts or signs of occupation. SHPO does not feel that a cultural resource inventory is warranted at this site at this time. <i>Impacts:</i> If during operations resources were to be discovered, activities would be temporarily moved to another area or halted until SHPO was contacted and the importance of the resources was determined.
8. DEMANDS ON ENVIRONMENTAL RESOURCES OF LAND, WATER, AIR OR ENERGY	There are no unusual demands on land, water, air or energy anticipated as a result of this project. <i>Impacts:</i> Negligible impacts to land, water, air, or energy would occur.

IMPACTS ON THE HUMAN POPULATION	
RESOURCE	POTENTIAL IMPACTS AND MITIGATION MEASURES
9. LOCALLY ADOPTED ENVIRONMENTAL PLANS AND GOALS	County zoning clearance has been obtained. The site is not zoned.
10. DENSITY AND DISTRIBUTION OF POPULATION AND HOUSING	As seen on the aerial photo of the surrounding area, the closest residence is a farmstead located ¼ mile to the northeast. This commercial pit is being sited in this area because of the location of the resource, and to service a project at the sewage lagoons ¼ mile to the west.
11. AESTHETICS	The site is located in a common agricultural area. There would be a temporary alteration of aesthetics while mining is under way. However, reclamation would return the area to a visually acceptable landscape. This project is considered to be short-term, i.e., planned to take four years to complete.
12. QUANTITY/ DISTRIBUTION OF EMPLOYMENT	Existing employees would mainly be utilized for this operation. There is low potential that this project would create a significant number of new jobs. <i>Impacts:</i> New employment opportunities would be limited.
13. INDUSTRIAL, COMMERCIAL, AGRICULTURAL ACTIVITIES AND PRODUCTION	The acreage listed in the proposal would be taken out of agricultural use. Upon completion of mining, the land would be reclaimed to a wildlife pond and cropland. <i>Impacts:</i> Agricultural production would be reduced as soil stripping and operations progress across the site. When the entire site is opened up for mining and mine-related activities, all agricultural activities would cease.
14. LOCAL, STATE TAX BASE AND TAX REVENUES, PERSONAL AND COMMUNITY INCOME	Local, state and federal governments would be responsible for appraising the property, setting tax rates, collecting taxes, etc., from the companies, employees, or landowners benefitting from this operation. Following reclamation, it is assumed the tax base would revert to pre-mine levels.
15. DEMAND FOR GOVERNMENT SERVICES	Limited oversight by DEQ Opencut Program personnel would be conducted in concert with other area activity when in the vicinity.
16. HUMAN HEALTH AND SAFETY	Any industrial activity would increase the opportunities for accidental injury. Agency required safety measures are in place. If followed there is no reason to believe that significant safety issues would be present.

PRIVATE PROPERTY ASSESSMENT ACT (PPAA) CHECKLIST

DOES THE PROPOSED AGENCY ACTION HAVE TAKINGS IMPLICATIONS UNDER THE PPAA?

YES	NO	
X		1. Does the action pertain to land or water management or environmental regulation affecting private real property or water rights?
	X	2. Does the action result in either a permanent or indefinite physical occupation of private property?
	X	3. Does the action deprive the owner of all economically viable uses of the property?
	X	4. Does the action deny a fundamental attribute of ownership?
	X	5. Does the action require a property owner to dedicate a portion of property or to grant an easement? (If answer is NO, skip questions 5a and 5b and continue with question 6.)
		5a. Is there a reasonable, specific connection between the government requirement and legitimate state interests?
		5b. Is the government requirement roughly proportional to the impact of the proposed use of the property?
	X	6. Does the action have a severe impact on the value of the property?
	X	7. Does the action damage the property by causing some physical disturbance with respect to the property in excess of that sustained by the public generally? (If the answer is NO, skip questions 7a-7c)
		7a. Is the impact of government action direct, peculiar, and significant?
		7b. Has the government action resulted in the property becoming practically inaccessible, waterlogged, or flooded?
		7c. Has the government action diminished property values by more than 30% and necessitated the physical taking of adjacent property or property across a public way from the property in question?

Taking or damaging implications exist if YES is checked in response to question 1 and also to any one or more of the following questions: 2, 3, 4, 6, 7a, 7b, 7c; or if NO is checked in response to questions 5a or 5b.

If taking or damaging implications exist, the agency must comply with § 5 of the Private Property Assessment Act, to include the preparation of a taking or damaging impact assessment. Normally, the preparation of an impact assessment will require consultation with agency legal staff.