

Date: September 10th, 2021

TO: Town of Rico Board of Trustees
FROM: Kari Distefano, Interim Rico Town Manager
SUBJECT: September Board of Trustee's meeting

Consideration of the acceptance of the 2020 Audit

Included in this packet is the final 2020 Audit. I spot checked the math and did not see any errors. The good news is that overall, the Town left 2020 in better financial shape than it began 2020 despite COVID. Even the street fund lost less money than I had anticipated. The water fund is down but that was due to the completion of the necessary tank rehabilitation project. Most revenues were up.

October 15th budget deadline

State statutes require that the Town Manager or Administrator have a budget for the upcoming year for Board of Trustee to review by October 15th. The regular October meeting for the Board of Trustees is scheduled to take place on October 20th. There are two issues that involve this deadline. The first issue is the need to reschedule the regular meeting or add a special meeting. The other issue is whether there will be a new town manager in place that can have a budget prepared by then. I can assist, but it falls outside the scope of work that the Board approved when I left the Town as an employee. The Board needs to decide two things:

1. Whether to reschedule the regular meeting or add a special budget meeting, and
2. Whether to expand my scope of work to include a draft budget or have a manager in place that can produce a budget by the 15th. The third option would be to find a consultant that can prepare it by the 15th.

Consideration of a temporary suspension of Ordinance 297, An Ordinance establishing the time of year in which the Town will install water taps and other connections to the Town of Rico Water System, to complete the Rico water meter replacement project by December 31st.

There was an ordinance adopted in 1994 that prohibits work on Town owned water lines from October 1st through April 30th. A copy of this Ordinance is included in the packet. I am requesting suspension of this Ordinance this year to finish the water meter replacement project by our end of year grant deadline.

As I'm sure you are aware, there have been supply line disruptions due to COVID that have been occurring since the pandemic began. Unfortunately, the supplies that our contractor needs to complete this project were shipped later than we had anticipated. As a result, this project will need to continue into October so that we can finish. To do that, we will need an approval from the Board to temporarily suspend this prohibition.

Ratification of a Resolution of the Town of Rico Trustees submitting to the registered electors of the Town of Rico at the November 2, 2021, coordinated election, ballot questions regarding:

- a. Increasing the mill levied upon real and personal property located within the Town of Rico by 12.8 mills;
- b. Increasing the lodging tax levied on short term rentals (30 days or less) from 1% to 7% of sales tax revenue.

This resolution was approved at an emergency meeting to comply with election deadlines. The Board will need to ratify the resolution to go forward with the election.

Consideration of a variance request to CDPHE Regulation 43 lot setback requirements on Lots 29, 30 and South 5' of Lot 31, Block 14, Michael Dougherty, Applicant.

Mike Dougherty is applying for a variance to the 10' setback from lot lines required by CDPHE Regulation 43 that the Rico Board of Trustees adopted in 2017. The application is included in this packet. The application is complete.

We have had several applications for variances to lot line setback requirements. I contacted Chuck Cousino, the CDPHE OWTS Coordinator to make sure that allowing these to occur on occasion were not a public health risk. His response was that the lot line setback requirement was targeted more toward construction than public health. I have included a copy of his email in this packet. In this case, what will be constructed will be an improvement to what currently exists.

Discussion regarding the Rico Land Use revision status and the restructuring the Rico Planning Commission

Joe Croke requested that the Board of Trustees be provided with a Rico Land Use Code (RLUC) revision update. The legal review of the RLUC has been completed however there are still outstanding issues. One major issue is the availability of water and whether the Town should institute a water service district, which would be incorporated into the RLUC. The decision regarding this will be driven by whether Marti Whitmore is successful with the change of diversion application. I contacted her prior to writing this memo and she does not have any updates. Should Rico be successful in acquiring a change of diversion for Silver Creek, a water district may not be necessary. Another major issue is whether a VCUP agreement can be reached. Should an agreement with ARCO be reached, the Institutional Controls would need to be incorporated into the RLUC.

Joe would like to discuss pass through fees that would be passed on to applicants rather than just requiring a flat fee per application. He would also like to discuss eliminating the planning commission as it currently exists and have it become an elected board. The current RLUC reads as follows regarding the composition of the Planning Commission:

702. MEMBERSHIP

702.1 Composition. The RPC shall consist of five regular members and first and second alternate members who shall be appointed by the Board of Trustees.

702.2 Terms. Members shall be appointed for two year staggered terms commencing on January 1st. The term for 3 regular members and the second alternate shall commence on even numbered years and the term for 2 regular members and the first alternate shall be commence on odd numbered years. Vacancies occurring otherwise than through the expiration of terms shall be filled by appointments. Upon resignation of a member, the Board of Trustees shall appoint a new member after advertising notice of the vacancy in accordance with State and Local legal notice publication laws.

702.3 Removal. Members may be removed after public hearing before the Board of Trustees on grounds of inefficiency, neglect of duty, inability to properly perform required duties, or intentional disregard of duties. Three (3) unexcused absences of a member from properly

noticed meetings of RPC shall constitute good cause for removal on the grounds of neglect of duty.

702.4 Qualifications. Members of the RPC shall be bona fide residents and qualified electors of the Town prior to the time of appointment. If a member ceases to reside in the Town his membership on the RPC shall terminate immediately.

702.5 Compensation. Members shall serve without compensation, except reimbursement for reasonable out-of-pocket expenses may be approved by the Board of Trustees.

702.6 Officers. The RPC shall annually elect from its membership a Chairperson during the first meeting of the calendar year or as soon thereafter as possible, with eligibility for re-election. The Chairperson shall be responsible for setting meeting agenda and conducting the meeting. The Town Clerk shall act as the RPC Secretary, unless otherwise determined by the RPC or Board of Trustees. The secretary shall have the responsibility of taking meeting minutes and maintaining the official records of the RPC.

I looked at some other communities in Colorado and could not find any that elected their planning commission members. It is more typical to see members of the governing boards also be members of the Planning Commission. This would have the advantage of keeping the Board of Trustees up to date on planning applications without having to schedule elections that might otherwise not be needed.

Discussion regarding the Van Winkle head gate.

Nicole Pieterse requested that the letter from Brian Johnson regarding the Van Winkle head gate be included on this agenda. The letter calls attention to the condition of the Van Winkle head gate. I have included a copy of the letter in this packet. I have also included a copy of the conservation easement filed with the Dolores County Clerk and Recorder that obliges the grantee, the Rico Historic Society, to among other things, “use its best abilities, subject to its ability to obtain grant or other funding, to protect and preserve the Historical Structures and to pursue funding resources to meet this obligation”.

Discussion regarding redlined documents that are included in the VCUP negotiation.

Pat Fallon requested that there be a discussion of the redlined copies of the VCUP documents. I have included them in this packet for your convenience. As a reminder, they have been sent to ARCO.

TOWN OF RICO, COLORADO

FINANCIAL STATEMENTS

December 31, 2020

TOWN OF RICO
TABLE OF CONTENTS
December 31, 2020

	<u>PAGE</u>
Independent Auditor's Report	1 - 2
Basic Financial Statements	
<u>Government-Wide Financial Statements</u>	
Statement of Net Position	3
Statement of Activities	4
<u>Fund Financial Statements</u>	
Balance Sheet – Governmental Funds	5
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	6
Statement of Net Position – Enterprise Funds	7
Statement of Revenues, Expenses, and Changes in Fund Net Position – Enterprise Funds	8
Statement of Cash Flows – Enterprise Funds	9
<u>Notes to Financial Statements</u>	10 - 28
Required Supplementary Information	
<u>Budgetary Comparison Schedules</u>	
General Fund	29
Street Fund	30
Pension Statements	31 - 32
Other Supplementary Information	
Combining Balance Sheet – Non-major Governmental Funds	33
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Non-major Governmental Funds	34
Budgetary Comparison Schedule – Conservation Trust Fund	35
Budgetary Comparison Schedule – Parks, Open Space, and Trails Fund	36
Schedule of Revenues, Expenditures and Changes in Fund Net Position - Budget (Non-GAAP Basis) and Actual – Enterprise Fund – Water Fund	37
Schedule of Revenues, Expenditures and Changes in Fund Net Position - Budget (Non-GAAP Basis) and Actual – Enterprise Fund – Sewer Fund	38
<u>Supplemental Data for Oversight Agencies</u>	
Local Highway Finance Report	39

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Board of Trustees
Town of Rico, Colorado

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Rico, Colorado as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Rico, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has elected to omit the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the general and major special revenue fund budgetary comparison information and pension schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Rico's financial statements as a whole. The other supplementary information, as shown in the table of contents, is presented for purposes of additional analysis, and is not a required part of the basic financial statements.

The other supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated in all material respects in relation to the financial statements as a whole.

Hamblin and Associates

Golden, Colorado
August 9, 2021

Basic Financial Statements

TOWN OF RICO, COLORADO
STATEMENT OF NET POSITION

December 31, 2020

	Governmental Activities	Business - Type Activities	Total
ASSETS			
CURRENT ASSETS			
Cash and equivalents	\$ 1,073,919	\$ 424,468	\$ 1,498,387
Taxes receivable	88,933	23,750	112,683
Accounts receivable	-	11,728	11,728
TOTAL CURRENT ASSETS	1,162,852	459,946	1,622,798
PROPERTY AND EQUIPMENT			
Total Capital Assets	2,031,371	3,411,066	5,442,437
Less Accumulated Depreciation	(697,007)	(675,851)	(1,372,858)
NET PROPERTY AND EQUIPMENT	1,334,364	2,735,215	4,069,579
 TOTAL ASSETS	 2,497,216	 3,195,161	 5,692,377
 DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows because of pensions	52,975	-	52,975
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION			
CURRENT LIABILITIES			
Accounts payable and other liabilities	-	2,577	2,577
Accrued payroll	3,590	-	3,590
Net pension liability	83,688	-	83,688
TOTAL CURRENT LIABILITIES	87,278	2,577	89,855
 DEFERRED INFLOWS OF RESOURCES			
Unavailable property tax	88,933	23,750	112,683
Deferred inflows because of pensions	71,418	-	71,418
Total Deferred Inflows of Resources	160,351	23,750	184,101
 NET POSITION			
Net Investment in Capital Assets	1,418,052	2,735,215	4,153,267
Restricted for Emergencies	18,059	-	18,059
Restricted, Other	37,357	-	37,357
Unrestricted	829,094	433,619	1,262,713
 TOTAL NET POSITION	 \$ 2,302,562	 \$ 3,168,834	 \$ 5,471,396

The accompanying notes are an integral part of the financial statements.

TOWN OF RICO, COLORADO

STATEMENT OF ACTIVITIES

Year Ended December 31, 2020

	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	PRIMARY GOVERNMENT		
					Governmental Activities	Business-type Activities	Total
FUNCTIONS/PROGRAMS							
Governmental Activities							
General Government	\$ 210,503	\$ 170,933	\$ -	\$ 17,785	\$ (21,785)	\$ -	\$ (21,785)
Public Safety	22,645	6,317	-	-	(16,328)	-	(16,328)
Public Works	141,894	24,627	-	-	(117,267)	-	(117,267)
Culture and Recreation	59,408	-	2,025	-	(57,383)	-	(57,383)
TOTAL GOVERNMENTAL ACTIVITIES	434,450	201,877	2,025	17,785	(212,763)	-	(212,763)
Business - Type Activities							
Current:							
Water Operations	404,708	134,679	-	52,249	-	(217,780)	(217,780)
Sewer	17,083	-	-	-	-	(17,083)	(17,083)
TOTAL BUSINESS-TYPE ACTIVITIES	421,791	134,679	-	52,249	-	(234,863)	(234,863)
TOTAL PRIMARY GOVERNMENT	\$ 856,241	\$ 336,556	\$ 2,025	\$ 70,034	(212,763)	(234,863)	(447,626)
GENERAL REVENUES							
Taxes:							
Property Taxes					88,567	23,564	112,131
Specific Ownership Taxes					4,660	1,240	5,900
Sales and Use Tax					149,295	-	149,295
Other Taxes					62,147	-	62,147
Miscellaneous					75,013	26	75,039
Interest Income					590	713	1,303
TOTAL GENERAL REVENUES					380,272	25,543	405,815
CHANGE IN NET POSITION					167,509	(209,320)	(41,811)
NET POSITION - Beginning of Year					2,135,053	3,480,053	5,615,107
NET POSITION - End of Year					\$ 2,302,562	\$ 3,168,834	\$ 5,573,296

The accompanying notes are an integral part of the financial statements.

TOWN OF RICO, COLORADO
BALANCE SHEET - GOVERNMENTAL FUNDS

December 31, 2020

	<u>GENERAL</u>	<u>STREET</u>	<u>NON-MAJOR GOVERNMENTAL FUNDS</u>	<u>TOTAL</u>
ASSETS				
Cash and equivalents	\$ 888,150	\$ 60,625	125,144	\$ 1,073,919
Property taxes receivable	78,170	10,763	-	88,933
TOTAL ASSETS	<u><u>\$ 966,320</u></u>	<u><u>\$ 71,388</u></u>	<u><u>\$ 125,144</u></u>	<u><u>\$ 1,162,852</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE				
LIABILITIES				
Payroll related liabilities	\$ 3,590	\$ -	\$ -	\$ 3,590
TOTAL LIABILITIES	<u>3,590</u>	<u>-</u>	<u>-</u>	<u>3,590</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	78,170	10,763	-	88,933
FUND BALANCE				
Restricted for TABOR	18,059	-	-	18,059
Restricted, Other	-	-	37,357	37,357
Committed	-	60,625	87,787	148,412
Unassigned	866,501	-	-	866,501
TOTAL FUND BALANCE	<u>884,560</u>	<u>60,625</u>	<u>125,144</u>	<u>1,070,329</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u><u>\$ 966,320</u></u>	<u><u>\$ 71,388</u></u>	<u><u>\$ 125,144</u></u>	<u><u>\$ 1,162,852</u></u>
Total Fund Balance of Governmental Funds				\$ 1,070,329
Net pension liability, deferred inflows and outflows of resources are not current resources and not included in the funds:				
Net pension liability				(83,688)
Deferred outflows of resources because of pensions				52,975
Deferred inflows of resources because of pensions				(71,418)
Capital assets used in governmental activities are not resources and are not reported in the funds:				
Capital Assets				2,031,371
Accumulated Depreciation				<u>(697,007)</u>
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES	<u><u>\$ 2,302,562</u></u>			

The accompanying notes are an integral part of the financial statements.

TOWN OF RICO, COLORADO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS

Year Ended December 31, 2020

	<u>GENERAL</u>	<u>STREET</u>	<u>NON-MAJOR GOVERNMENTAL FUNDS</u>	<u>TOTAL</u>
REVENUES				
Taxes:				
Property Tax	\$ 77,889	\$ 10,678	\$ -	\$ 88,567
Sales Tax	123,061	13,117	13,117	149,295
Other	5,442	36,264	3,996	45,702
Intergovernmental	20,757	-	-	20,757
General Government	177,598	-	-	177,598
Local Grants	-	24,627	-	24,627
Lottery Proceeds	-	-	2,025	2,025
Interest	498	48	44	590
Special Projects	17,785	-	-	17,785
Miscellaneous	75,013	-	-	75,013
TOTAL REVENUES	498,043	84,734	19,182	601,959
EXPENDITURES				
General Government	366,470	-	-	366,470
Public Safety	22,645	-	-	22,645
Public Works	-	115,734	-	115,734
Culture and Recreation	36,190	-	22,085	58,275
TOTAL EXPENDITURES	425,305	115,734	22,085	563,124
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	72,738	(31,000)	(2,903)	38,835
FUND BALANCE, Beginning	811,822	91,625	128,047	1,031,494
FUND BALANCE, Ending	\$ 884,560	\$ 60,625	\$ 125,144	\$ 1,070,329
 Net Change in Fund Balances - Total Governmental Funds				\$ 38,835
Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:				
Changes in net pension liability, deferred inflows and outflows because of pensions are long-term.				(25,541)
Other changes for capital assets - capital assets additions are not recorded in governmental funds.				198,685
Depreciation expense is not recorded in governmental funds.				(44,470)
Change in Net Position - Governmental Activities				<u>\$ 167,509</u>

The accompanying notes are an integral part of the financial statements.

TOWN OF RICO, COLORADO

STATEMENT OF NET POSITION
ENTERPRISE FUNDS

December 31, 2020

	<u>WATER</u>	<u>SEWER</u>	<u>TOTAL</u>
ASSETS			
CURRENT ASSETS			
Cash	\$ 225,323	\$ 199,145	\$ 424,468
Receivables	11,728	-	11,728
Taxes receivable	-	23,750	23,750
TOTAL CURRENT ASSETS	<u>237,051</u>	<u>222,895</u>	<u>459,946</u>
CAPITAL ASSETS			
Land & Improvement	3,362,553	-	3,362,553
Buildings	48,513	-	48,513
Total Capital Assets	3,411,066	-	3,411,066
Less: accumulated depreciation	(675,851)	-	(675,851)
NET CAPITAL ASSETS	<u>2,735,215</u>	<u>-</u>	<u>2,735,215</u>
TOTAL ASSETS	<u>2,972,266</u>	<u>222,895</u>	<u>3,195,161</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION			
CURRENT LIABILITIES			
Accounts payable	2,577	-	2,577
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	<u>-</u>	<u>23,750</u>	<u>23,750</u>
NET POSITION			
Net investment in capital assets	2,735,215	-	2,735,215
Unrestricted	<u>234,474</u>	<u>199,145</u>	<u>433,619</u>
TOTAL NET POSITION	<u>\$ 2,969,689</u>	<u>\$ 199,145</u>	<u>\$ 3,168,834</u>

The accompanying notes are an integral part of the financial statements.

TOWN OF RICO, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION - ENTERPRISE FUNDS

Year Ended December 31, 2020

	WATER	SEWER	TOTAL
OPERATING REVENUES			
Charges to customers	\$ 132,691	\$ -	\$ 132,691
Other	1,988	-	1,988
TOTAL OPERATING REVENUES	134,679	-	134,679
OPERATING EXPENSES			
Salaries	99,393	-	99,393
Employee Benefits - Life	92	-	92
Repairs and maintenance	213,985	-	213,985
Insurance	5,285	-	5,285
Supplies	3,969	-	3,969
Water samples	4,507	-	4,507
Electric	5,184	-	5,184
Propane	2,250	-	2,250
Utilities-other	1,962	-	1,962
Dolores Water Conservancy	2,700	-	2,700
Miscellaneous	125	-	125
Capital outlay	154	-	154
Treasurers fees	-	463	463
Other expense	-	16,620	16,620
Depreciation expense	65,102	-	65,102
TOTAL OPERATING EXPENSES	404,708	17,083	421,791
NET INCOME (LOSS) FROM OPERATIONS	(270,029)	(17,083)	(287,112)
NON-OPERATING REVENUE (EXPENSE)			
Interest revenue	614	99	713
Miscellaneous	-	26	26
Property taxes	-	23,564	23,564
Specific ownership taxes	-	1,240	1,240
Grants	52,249	-	52,249
Grant Expenses	(101,899)	-	(101,899)
TOTAL NON-OPERATING REVENUE	(49,036)	24,929	(24,107)
CHANGE IN NET POSITION	(319,065)	7,846	(311,219)
NET POSITION, Beginning	3,288,754	191,299	3,480,053
NET POSITION, Ending	\$ 2,969,689	\$ 199,145	\$ 3,168,834

The accompanying notes are an integral part of the financial statements.

TOWN OF RICO, COLORADO

STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS

Year Ended December 31, 2020

	WATER FUND	SEWER FUND	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 130,811	\$ -	\$ 130,811
Cash paid for expenses and employees	(337,617)	(17,083)	(354,700)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(206,806)	(17,083)	(223,889)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Miscellaneous	-	26	26
Grants	52,249	-	52,249
Property Taxes	-	23,564	23,564
Specific Ownership Taxes	-	1,240	1,240
Grant expenditure	(101,899)	-	(101,899)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(49,650)	24,830	(24,820)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest earned	614	99	713
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	614	99	713
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(255,842)	7,846	(247,996)
CASH AND CASH EQUIVALENTS, Beginning of Year	481,165	191,299	672,464
CASH AND CASH EQUIVALENTS, End of Year	<u>\$ 225,323</u>	<u>\$ 199,145</u>	<u>\$ 424,468</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income (loss)	<u>\$ (270,029)</u>	<u>\$ (17,083)</u>	<u>\$ (287,112)</u>
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Depreciation	65,102	-	65,102
Changes in assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	(1,880)	-	(1,880)
(Decrease) increase in:			
Accounts payable	1	-	1
Total adjustments	63,223	-	63,223
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (206,806)</u>	<u>\$ (17,083)</u>	<u>\$ (223,889)</u>

The accompanying notes are an integral part of the financial statements.

TOWN OF RICO
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Rico, Colorado (the Town) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Town's accounting policies are described below.

A. Definition of the Reporting Entity

The Town of Rico, Colorado was incorporated in October 11, 1897 in Dolores County, and is governed by a seven member elected Board of Trustees. As required by generally accepted accounting principles, these financial statements present the activities of the Town, which is legally separate and financially independent of other state and local governments.

The Town provides general government, public works (road and streets), water, sewer, and parks and recreation for the geographical area organized as the Town of Rico, Colorado. The Town contracts with the County for police protection. The Rico Fire Protection District (not a component unit) provides fire protection.

B. Fund Accounting

The government-wide financial statement (i.e., the statement of net position and the statement of activities) reports information on all of the activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes, charges for services, and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those clearly identifiable with a specific function or segment. Program revenues include: (1) charges to those who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

C. Fund Financial Statements

The accounts of the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. Government resources are allocated to, and accounted for, in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

TOWN OF RICO
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Fund Financial Statements (Continued)

All governmental funds are accounted for on a flow of current financial resources basis. Balance sheets for these funds generally include only current assets and current liabilities. Reported fund balances are considered a measure of available, spendable resources. Operating statements for these funds present a summary of available, spendable resources and expenditures for the period.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Town reports two major governmental funds:

- **The General Fund** is the Town's primary operating fund. It accounts for the general operations of the Town, which includes the following departments: Legislative, Judicial, Administration, Public Safety-Police, Community Development and Public Works.
- **The Street Fund** accounts for expenditures designated for streets and infrastructure maintenance. Sources of revenue include 1.785 mills and 10% of Town sales tax.

The Town reports two non-major governmental funds:

- **The Conservation Trust Fund** accounts for State of Colorado lottery funds to be used for acquisition, development, and maintenance of new conservation sites or for capital improvements or maintenance for recreational purposes on any public site.
- **The Parks, Open Space, and Trails Fund** accounts for special revenues and expenditures designated for operating and maintaining parks and recreation programs.

The Town reports the following major business-type activity funds:

- **The Water Fund** accounts for the Town's water distribution system.
- **The Sewer Fund** accounts for revenues collected to establish a solid waste facility.

D. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the enterprise fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

TOWN OF RICO
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

The modified accrual basis of accounting is used by all governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined. “Available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include: (1) principal and interest on general long-term debt which is recognized when due and (2) compensated absences which are recognized when the obligations are expected to be liquidated with expendable available resources.

Those revenues susceptible to accrual are interest revenue and charges for services. Entitlement revenues are not susceptible to accrual because generally they are not measurable until received. Grant revenues are recognized as they are earned.

The accrual basis of accounting is utilized by enterprise funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

E. Cash and Cash Equivalents

For the purposes of the statement of cash flows of the enterprise funds, cash and cash equivalents consist of operating and restricted cash and highly liquid securities with an initial maturity of three months or less.

F. Investments

Investments are stated at fair value based on quoted market values, with the exception of money market funds and external investment pools. These are stated at fair value according to institution reported balances at year-end.

G. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America required management to make: (1) estimates and assumptions that affect the reported amounts of assets and liabilities and (2) disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

TOWN OF RICO
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Property Taxes

Property taxes for the current year are levied and attached as a lien on property the following January 1. They are payable in full by April 30, or in two equal installments due February 28 and June 15. Property taxes levied in the current year and collected in the following year are reported as a receivable at December 31. However, since the taxes are not available to pay current liabilities, the receivable is recorded as deferred revenue in the governmental and enterprise funds.

I. Capital Assets

Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capitalized assets are defined by the Town as assets that have a useful life of one or more years and for which the initial, individual value equals or exceeds the following dollar amounts:

<u>Assets Class</u>	<u>Dollar Value</u>
Land	No Minimum
Buildings	No Minimum
Building and Other Improvements	\$ 5,000
Furniture and Equipment	\$ 5,000
Infrastructure	\$ 5,000

All purchased assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs that does not add to the value of an asset or materially extend asset life is not capitalized.

Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

<u>Asset Class</u>	<u>Useful Life</u>
Buildings	25 – 50 years
Building and Other Improvements	20 years
Water and Sewer Systems	25 – 45 years
Furniture and Equipment	5 – 30 years
Infrastructure	15 – 40 years

Public domain assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are examples of infrastructure assets. Infrastructure assets are distinguished from other capitalized assets since their useful life often extends beyond most other capital assets and are stationary in nature. General infrastructure assets are those associated with or arising from governmental activities.

TOWN OF RICO
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Long-Term Liabilities

In the government-wide financial statements, and enterprise fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or enterprise fund type statement of net position. Bond premium and discounts, are deferred and amortized over the term of the related debt using the straight-line method of amortization. Bond issuance costs are expensed in the period incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures. The long-term compensated absences are serviced from revenues of the General Fund from future appropriations.

K. Net Position

In the government-wide financial statements, net position represent the difference between assets and liabilities. Net capital assets consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition or construction of improvements on those assets. Net position portion of equity is reported as restricted when there are limitations imposed on use, either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

L. Fund Balances

In the governmental fund financial statements, the following fund balance classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable fund balance – amounts that are not in spendable form (such as inventory or prepaid expenses) or are required to be maintained intact.

Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders or other debt holders, contributors, and higher levels of government), through constitutional provisions, or by enabling legislation.

TOWN OF RICO
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Fund Balances (Continued)

Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority through an ordinance or resolution. Committed fund balance can also include contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. To be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint. The Town reported no such amounts at December 31, 2020.

Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or an official or body to which the governing body delegates the authority. The Capital Reserve amount reported is also described in the Town’s annual budget document.

Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

When fund balance resources are available for a specific purpose in more than one classification, it is the Town’s policy to use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed. The Town considers all unassigned fund balances to be “reserves” for future operations or capital replacement as defined within Article X, Section 20 of the Constitution of the State of Colorado (See Note 11).

In the governmental fund financial statements, reservations or restrictions of fund balance represent amounts that are not appropriable, are legally segregated for a specific purpose, or are restricted by grant agreements. Designations of fund balance represent tentative management plans that are subject to change.

M. Interfund Transactions

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. At year end, outstanding balances between funds are reported as “due to/from other funds”. Nonrecurring or nonroutine permanent transfers of equity and all interfund transfers are reported as transfers in and transfers out. Any residual balances outstanding between the governmental activities and business-type activities are either eliminated or reported in the government-wide financial statements as “internal balances”.

TOWN OF RICO
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 2: BUDGETARY REQUIREMENTS

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all governmental funds. The Enterprise funds adopt budgets on the Non-GAAP basis wherein tap fees are recognized as revenue, principal payments on debt and capital expenditures are recognized as expenses, and depreciation expense is not budgeted. All annual appropriations lapse at fiscal year-end.

By October 15, the Town Manager (not an elected official) of the Town submits a proposed operating budget for the fiscal year commencing the following January 1, to the Trustees (elected officials). The operating budget, for all budgeted funds, includes proposed expenditures and the means of financing.

Public hearings are held at the regular Trustee meetings to obtain taxpayer input. Prior to December 15, the budget is legally enacted through passage of a budget ordinance. The Town Treasurer is authorized to transfer budgeted amounts within a department of any fund. The Trustees must approve revisions that change total expenditures of any fund or department within a fund.

Appropriations are controlled and the budget is only amended in conformity with Colorado Revised Statutes, which require a balanced budget. Expenditures in excess of appropriations may violate Colorado Revised Statutes and must be reported to the State Auditor.

The Combined Statements of Revenues, Expenditures and Changes in Fund Balances for all fund types include comparisons to budget. Financial statements of the Enterprise Funds are presented in the accompanying Financial Statements on a Non-GAAP and GAAP basis. Budget amounts, included in the financial statements, are as originally adopted and as amended by Board of Trustees.

NOTE 3: RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The governmental funds balance sheet includes reconciliation between fund balances (total governmental funds and net position) and governmental activities, as reported in the government-wide statement of net position. Additionally, the governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between net change in fund balances and changes in net position of governmental activities, as reported in the government-wide statement of activities.

These reconciliations detail items that require adjustment to convert from the current resources measurement and modified accrual basis for government fund statements to the economic resources measurement and full accrual basis used for government-wide statements. However, certain items having no effect on measurement and basis of accounting were eliminated from the government fund statements during the consolidation of governmental activities.

TOWN OF RICO
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 4: CASH, DEPOSITS AND INVESTMENTS

A. Cash

A summary of the Town's cash and investments at December 31, 2020 follows:

<u>Type</u>	<u>Rating</u>	<u>Carrying Value</u>
Deposits:		
Demand deposits		\$ 1,424,943
Cash with County Treasurer		375
		<u>1,425,317</u>
Investments:		
Colotrust (Fair Value)	AAAm by S & P	<u>73,069</u>
Total deposits and investments		<u><u>\$ 1,498,387</u></u>
Reconciliation to Statement of Net Position		
Current:		
Cash and Investments		<u><u>\$ 1,498,387</u></u>

B. Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash only in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by the financial institution. The eligible collateral is determined by the PDPA.

PDPA allows the financial institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution and held in trust for all the uninsured public deposits as a group. Colorado State Statutes require the market value of the collateral to be at least 102 percent of the aggregate uninsured deposits.

C. Investments

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest. The allowed investments include local government investment pools and obligations of the United States Government.

Interest Rate Risk The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The Town has no investment policy that would further limit its investment choices. At December 31, 2020 the Town's investment in the Colorado Government Liquid Assets Trust (COLOTRUST) was rated AAAm by Standard & Poor's.

TOWN OF RICO
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 4: CASH, DEPOSITS AND INVESTMENTS (Continued)

Concentration of Credit Risk The Town places no limit on the amount the Town may invest in any one issuer.

The Town invests in one investment pool, the Colorado Liquid Assets Trust (COLOTRUST). The investment is not categorized because the investment is not evidenced by securities that exist in physical book entry form. At December 31, 2020, the Town had an investment of \$73,069 fair and carrying value.

NOTE 5: PROPERTY TAXES

Property taxes are collected on behalf of the Town by Dolores County and then remitted to the Town. The property tax is levied and certified in November of the year prior to the year the taxes are collected. Property taxes become an enforceable lien on January 1 of each year.

Secured property taxes are: (1) due in two equal installments on February 28 and June 15 and (2) delinquent after February 28 and June 15, respectively. The entire balance can be paid by April 30 without penalty. Property taxes levied are recorded as deferred revenues in the year levied, since they are not due until the following year. Property tax revenue is recognized when it is collected by Dolores County.

NOTE 6: CAPITAL ASSETS

Summary of changes in Capital Assets:

	Balance January 1, 2020	Additions	Deletions/ Corrections	Balance December 31, 2020
GOVERNMENTAL ACTIVITIES				
Capital Assets not being depreciated:				
Land	\$ 453,760	\$ -		\$ 453,760
Capital Assets being depreciated:				
Improvements	7,230	-	-	7,230
Buildings	908,366	-	-	908,366
Equipment	59,058	-	-	59,058
Vehicles	385,564	-	-	385,564
Streets	217,394	-	-	217,394
	<u>1,577,611</u>	<u>-</u>	<u>-</u>	<u>1,577,611</u>
Less accumulated depreciation:				
Improvements	(7,230)	-	-	(7,230)
Buildings	(324,546)	(17,071)	-	(341,617)
Equipment	(43,323)	(1,239)	-	(44,562)
Vehicles	(187,248)	(22,346)	-	(209,594)
Streets	(90,191)	(3,814)	-	(94,005)
Total accumulated depreciation	<u>(652,537)</u>	<u>(44,470)</u>	<u>-</u>	<u>(697,007)</u>
Capital assets being depreciated, net	<u>925,074</u>	<u>(44,470)</u>	<u>-</u>	<u>880,604</u>
Total Governmental Activities Capital Assets	<u>\$ 1,378,834</u>	<u>\$ (44,470)</u>	<u>\$ -</u>	<u>\$ 1,334,364</u>

TOWN OF RICO
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 6: CAPITAL ASSETS (Continued)

	Balance January 1, 2020	Additions	Deletions	Balance December 31, 2020
BUSINESS-TYPE ACTIVITIES				
Capital Assets being depreciated:				
Buildings	\$ 48,513	\$ -	\$ -	\$ 48,513
Water System	3,362,552	-	-	3,362,552
	<u>3,411,065</u>	<u>-</u>	<u>-</u>	<u>3,411,065</u>
Less accumulated depreciation:				
Buildings	(36,362)	(1,627)	-	(37,989)
Water System	(574,388)	(63,475)	-	(637,863)
Total accumulated depreciation	<u>(610,749)</u>	<u>(65,102)</u>	<u>-</u>	<u>(675,851)</u>
Capital assets being depreciated, net	<u>2,800,316</u>	<u>(65,102)</u>	<u>-</u>	<u>2,735,214</u>
Total Business-type Activities Capital Assets	<u>\$ 2,800,316</u>	<u>\$ (65,102)</u>	<u>\$ -</u>	<u>\$ 2,735,214</u>

Depreciation expense was charged to functions of the Town as follows:

General Government	\$ 17,177
Public Works	26,160
Culture and Recreation	1,133
Total	<u>\$ 44,470</u>

NOTE 7: LONG-TERM LIABILITIES

Changes in long-term liabilities for the year ended December 31, 2020 were:

	Balance January 1, 2020	Additions	Reductions	Balance December 31, 2020	Due Within One Year
Governmental Activities					
Loader Lease Purchase	<u>\$ 144,275</u>	<u>\$ -</u>	<u>\$ 22,705</u>	<u>\$ 121,570</u>	<u>\$ 22,705</u>

Governmental Activities

The Town entered into a lease agreement with Deere Credit, Inc. The lease is for a 4WD Loader and Angle Plow, with 5 annual payments of \$23,259 beginning January 2018, with last lease payment January 2022, and \$119,091 purchase option December 2022. Imputed interest is 2%.

TOWN OF RICO
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 7: LONG-TERM LIABILITIES (Continued)

Governmental Activities (Continued)

A summary of future debt payments are as follows:

Year	Principal	Interest	Total
2021	\$ 22,705	\$ -	\$ 22,705
2022	98,865	42,931	141,796
	<u>\$ 121,570</u>	<u>\$ 42,931</u>	<u>\$ 141,796</u>

NOTE 8: RETIREMENT COMMITMENTS

Defined Benefit Pension Plan

Summary of Significant Accounting Policies

Pensions. Town of Rico participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the LGDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the Pension Plan

Plan description. Eligible employees of the Town of Rico are provided with pensions through the Local Government Division Trust Fund (LGDTF)—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits provided. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

The lifetime retirement benefit for all eligible retiring employees under the PERA benefit structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit
- The value of the retiring employee's member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

In all cases the service retirement benefit is limited to 100 percent of highest average salary and also cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

TOWN OF RICO
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 8: RETIREMENT COMMITMENTS (Continued)

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50 percent or 100 percent on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

Benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S. Benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 and all benefit recipients of the DPS benefit structure receive an annual increase of 2 percent, unless PERA has a negative investment year, in which case the annual increase for the next three years is the lesser of 2 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the prior calendar year. Benefit recipients under the PERA benefit structure who began eligible employment after January 1, 2007 receive an annual increase of the lesser of 2 percent or the average CPI-W for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve (AIR) for the LGDTF.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the retirement benefit formula shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

Contributions. Eligible employees and the Town are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, *et seq.* Eligible employees are required to contribute 8 percent of their PERA-includable salary. The employer contribution requirements are summarized in the table below:

January 1st through June 30, 2020	Rates
Employer contribution rate ¹	10.00%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f) ¹	(1.02)%
Amount apportioned to the LGDTF ¹	8.98%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411 ¹	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411 ¹	1.50%
Total employer contribution rate to the LGDTF¹	12.68%

July 1st through December 31, 2020	Rates
Employer contribution rate ¹	10.50%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f) ¹	(1.02)%
Amount apportioned to the LGDTF ¹	9.48%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411 ¹	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411 ¹	1.50%
Total employer contribution rate to the LGDTF¹	13.18%

¹Rates are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

TOWN OF RICO
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the Town of Rico is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from the Town of Rico were \$14,659 for the year ended December 31, 2020.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2020, the Town reported a liability of \$83,688 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. Standard update procedures were used to roll-forward the total pension liability to December 31, 2020. The Town of Rico's proportion of the net pension liability was based on the Town's contributions to the LGDTF for the calendar year 2020 relative to the total contributions of participating employers to the LGDTF.

At December 31, 2020, the Town of Rico's proportion was 0.016059 percent, which was an increase of 0.001428% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2020, the Town of Rico recognized pension expense of \$6,500. At December 31, 2020, the Town of Rico reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 4,046	\$ -
Changes of assumptions or other inputs	20,224	-
Net difference between projected and actual earnings on pension plan investments	28,705	71,418
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	15,741	-
Total	\$ 68,716	\$ 71,418

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For the Plan Year ended December 31,	
2020	\$ 43,567
2021	43,567
2022	30,679
2023	30,679
2024	14,284
Thereafter	-

TOWN OF RICO
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

Actuarial assumptions. The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50 – 10.45 percent
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (automatic)	1.25 percent
PERA benefit structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

Mortality rates used in the December 31, 2019 valuation were based on the RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on a projection of Scale AA to 2020 with Males set back 1 year, and Females set back 2 years. Active member mortality was based upon the same mortality rates but adjusted to 70 percent of the base rate for males and 55 percent of the base rate for females. For disabled retirees, the RP-2000 Disabled Mortality Table (set back 2 years for males and set back 2 years for females) was assumed.

Based on the 2020 experience analysis, dated October 28, 2020, for the period January 1, 2016 through December 31, 2019, revised economic and demographic actuarial assumptions were adopted by PERA's Board on November 20, 2020, and were effective as of December 31, 2020, these revised assumptions were reflected in the total pension liability roll-forward procedures.

TOWN OF RICO
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

Healthy mortality assumptions for active members reflect the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

Healthy, post-retirement mortality assumptions reflect the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78 percent factor applied to rates for ages less than 80, a 109 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

For disabled retirees, the mortality assumption was changed to reflect 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2020. As a result of the November 20, 2020 PERA Board meeting, the following economic assumptions were changed, effective December 31, 2020, as follows:

- Investment rate of return assumption decreased from 7.50 percent per year, compounded annually, net of investment expenses to 7.25 percent per year, compounded annually, net of investment expenses.
- Price inflation assumption decreased from 2.40 percent per year to 2.30 percent per year.
- Real rate of investment return assumption increased from 4.85 percent per year, net of investment expenses, to 4.95 percent per year, net of investment expenses.
- Wage inflation assumption decreased from 3.50 percent per year to 3.00 percent per year.

Several factors were considered in evaluating the long-term rate of return assumption for the LGDTF, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

TOWN OF RICO
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

As of the November 15, 2019 adoption of the current long-term expected rate of return by the PERA Board, the target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives (Opportunity Fund)	6.00%	4.70%
Total	100.00%	

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.

Discount rate. The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated economic and demographic actuarial assumptions adopted by PERA's Board on November 15, 2019.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date, including current and estimated future AED and SAED, until the Actuarial Value Funding Ratio reaches 103%, at which point, the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions included reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

TOWN OF RICO
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

- The AIR balance was excluded from the initial fiduciary net position, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. As the ad hoc post-retirement benefit increases financed by the AIR are defined to have a present value at the long-term expected rate of return on plan investments equal to the amount transferred for their future payment, AIR transfers to the fiduciary net position and the subsequent AIR benefit payments have no impact on the Single Equivalent Interest Rate (SEIR) determination process when the timing of AIR cash flows is not a factor (i.e., the plan's fiduciary net position is not projected to be depleted). When AIR cash flow timing is a factor in the SEIR determination process (i.e., the plan's fiduciary net position is projected to be depleted), AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the end of the month.

Based on the above assumptions and methods, LGDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent.

As of the prior measurement date, the long-term expected rate of return of 7.50 percent on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination did not use the municipal bond index rate, and therefore, the discount rate was 7.50 percent, 0.25 percent higher compared to the current measurement date.

Sensitivity of the Town of Rico's proportionate share of the net pension liability to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease	Current Discount	1% Increase
	(6.25%)	Rate (7.25%)	(8.25%)
Proportionate share of the net pension liability	\$ 192,783	\$ 83,688	\$ (7,393)

Pension plan fiduciary net position. Detailed information about the LGDTF's fiduciary net position is available in PERA's comprehensive annual financial report which can be obtained at www.copera.org/investments/pera-financial-reports.

TOWN OF RICO
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 9: RISK MANAGEMENT- PUBLIC ENTITY RISK POOL

The Town is involved with the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to the provision of 24-10-115.5, Colorado Revised Statutes (1982 Replacement Volume) and Colorado Constitution, Article XIV, Section 18(2).

The purposes of CIRSA are to provide members defined liability and property coverages and to assist members to prevent and reduce losses and injuries to municipal property and to persons and property which might result in claims being made against members of CIRSA, their employees and officers.

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of loss, to the limit of the financial resources of CIRSA. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members.

CIRSA is a separate legal entity and the Town does not approve budgets nor does it have ability to significantly affect the operations of the unit. The Town is not exposed to any significant risk of loss.

NOTE 10: CONTINGENCIES

Claims and Judgments The Town participates in a number of federal, state, and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Town may be required to reimburse the grantor government. It is the opinion of management that such reimbursements, if any, will not have a material effect on the Town's financial position.

NOTE 11: TAX, SPENDING, REVENUE AND DEBT LIMITATIONS

In November of 1992 Colorado voters approved Amendment 1 to the state Constitution which is commonly known as the Taxpayer's Bill of Rights or the Tabor Amendment (TABOR). The Amendment applies to all units of local government and limits taxes, spending, revenue, and multi-year debt (excepting bond refundings to lower interest rates and adding employees to pension plans). The amendment does not apply to entities that are defined as Enterprise Funds. The governmental funds of the Town do not qualify as Enterprise Funds.

The Town passed a ballot question on November 7, 1997. The ballot question permitted the Town, to collect, retain and expend, the full revenues from state and federal grants and all other non-tax revenues, and without limiting in any year the amount of other revenues that may be collected and spent by the Town, regardless of any limitation contained in Article X, Section 20, of the Colorado Constitution.

TOWN OF RICO
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 11: TAX, SPENDING, REVENUE AND DEBT LIMITATIONS (Continued)

The amendment also requires the Town to establish an Emergency Reserve which must be equal to three (3) percent of the current allowed revenue. Conditions under which these reserves may be spent are severally limited.

The Town believes that it is in compliance with the provisions of TABOR, as it is currently understood. Many of the provisions are complex and subject to interpretation, and may not become fully understood without judicial determination.

Required Supplementary Information

TOWN OF RICO, COLORADO
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

Year Ended December 31, 2020

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE- POSITIVE (NEGATIVE)
REVENUES				
Taxes				
Property tax	\$ 77,895	\$ 77,895	\$ 77,551	\$ (344)
Delinquent Tax & Interest	350	350	338	(12)
Sales and use tax	100,000	100,000	123,061	23,061
Specific ownership tax	3,750	3,750	4,098	348
Motor vehicle tax	1,000	1,000	1,549	549
Mineral leasing	20,000	20,000	18,963	(1,037)
Severance tax	2,500	2,500	1,794	(706)
Transfers - payroll	166,649	166,649	151,807	(14,842)
Fines and Forfeits	6,500	6,500	6,317	(183)
Interest	350	350	498	148
Licenses and Permits	3,290	3,290	19,126	15,836
Special Projects Revenue	13,156	13,656	17,785	4,129
Miscellaneous	11,380	11,380	75,013	63,633
TOTAL REVENUES	406,920	407,420	498,043	90,623
EXPENDITURES				
Town Administrator	67,600	67,600	67,574	26
Town Clerk	33,732	33,732	33,723	9
Maintenance man	36,569	36,569	36,559	10
Payroll taxes	19,001	19,001	13,324	5,677
Town attorney	18,000	95,836	83,923	11,913
Auditor	4,886	4,975	8,500	(3,525)
Municipal Court Judge	4,500	4,500	4,500	-
Insurance	5,000	5,000	4,968	32
Supplies	10,000	10,000	10,472	(472)
Park Administrator	5,000	5,000	-	5,000
Part Time Maintenance	20,000	20,000	640	19,360
Water Technician	7,500	7,500	2,543	4,957
Public Safety	23,500	27,381	22,645	4,736
Utilities	13,800	13,800	10,764	3,036
Miscellaneous	37,300	40,960	30,361	10,599
Employee Benefits	65,267	67,956	58,619	9,337
Special Projects/Capital Improvements	42,500	49,479	36,190	13,289
TOTAL EXPENDITURES	416,655	511,789	425,305	83,984
EXCESS OF REVENUES OVER EXPENDITURES	(9,735)	(104,369)	72,738	174,607
Fund Balance, Beginning	811,822	811,822	811,822	-
Fund Balance, Ending	\$ 802,087	\$ 707,453	\$ 884,560	\$ 174,607

See the accompanying Independent Auditor's Report.

TOWN OF RICO, COLORADO

BUDGETARY COMPARISON SCHEDULE
STREET FUND

Year Ended December 31, 2020

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE- POSITIVE (NEGATIVE)</u>
REVENUES				
Taxes				
Property tax	\$ 10,679	\$ 10,679	\$ 10,678	\$ (1)
Sales and use tax	10,000	10,000	13,117	3,117
Specific ownership tax	400	400	562	162
Franchise tax	6,000	6,000	5,779	(221)
Excise tax	1,000	1,000	3,754	2,754
Road and bridge	10,000	10,000	11,780	1,780
Highway users tax	18,000	18,000	14,389	(3,611)
Other revenues - local grant	36,416	36,416	24,627	(11,789)
Interest	45	45	48	3
TOTAL REVENUES	<u>92,540</u>	<u>92,540</u>	<u>84,734</u>	<u>(7,806)</u>
EXPENDITURES				
Payroll	36,416	36,416	35,698	718
Equipment rental	-	24,068	23,159	909
Snow removal	20,000	20,000	10,450	9,550
Fuel	8,000	8,000	4,620	3,380
Repairs and maintenance	21,678	21,678	10,040	11,638
Insurance	5,000	5,000	-	5,000
Supplies	5,500	5,500	3,180	2,320
Electricity	2,000	2,000	1,279	721
Street lights	1,200	1,920	1,128	792
Utilities - other	2,000	2,000	1,902	98
Treasurer fees	300	300	210	90
Debt service	25,000	25,000	24,068	932
TOTAL EXPENDITURES	<u>127,094</u>	<u>151,882</u>	<u>115,734</u>	<u>36,148</u>
Change in Fund Balance	(34,554)	(59,342)	(31,000)	28,342
Fund Balance, Beginning	<u>91,625</u>	<u>91,625</u>	<u>91,625</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 57,071</u>	<u>\$ 32,283</u>	<u>\$ 60,625</u>	<u>\$ 28,342</u>

See the accompanying Independent Auditor's Report.

TOWN OF RICO, COLORADO

SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF NET PENSION LIABILITY/(ASSET)
LOCAL GOVERNMENT DIVISION TRUST FUND - COLORADO PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION
LAST TEN FISCAL YEARS*

Measurement period ending December 31,	2020	2019	2018	2017	2016	2015	2014	2013
Town's portion of the net pension asset	0.016059%	0.014631%	0.015362%	0.014835%	0.018273%	0.023245%	0.024092%	0.024744%
Town's proportionate share of the net pension liability (asset)	83,688	107,011	193,131	165,182	246,747	256,058	215,694	203,623
Town's covered payroll	113,136	100,753	100,753	89,920	110,780	132,013	132,013	132,013
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	74%	106%	192%	184%	223%	194%	163%	154%
Plan fiduciary net position as a percentage of the total pension asset	110.0%	115.9%	131.7%	135.8%	135.8%	130.1%	123.9%	128.8%

*The amounts presented for each fiscal year were determined as of the calendar year-end that occurred one year prior. Information is only available beginning in fiscal year 2014 data).

**Notes to the Schedule of the Town's Proportionate Share of the Net Pension Liability (Asset)
for the year ended December 31, 2020:**

Note 1. Changes of assumptions.

No changes during the years presented above.

Note 2. Changes of benefit terms.

No changes during the years presented above.

See the accompanying Independent Auditor's Report.

TOWN OF RICO, COLORADO

SCHEDULE OF TOWN CONTRIBUTIONS

LOCAL GOVERNMENT DIVISION TRUST FUND - COLORADO PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION
LAST TEN FISCAL YEARS*

<u>Measurement period ending December 31,</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually required contribution	\$14,659	\$12,776	\$12,776	\$11,402	\$14,044	\$16,739	\$16,739	\$16,739
Contributions in relation to the contractually required contribution	(14,659)	(12,776)	(12,776)	(11,402)	(14,044)	(16,739)	(16,739)	(16,739)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	113,136	100,753	100,753	89,920	110,780	132,013	132,013	132,013
Contributions as a percentage of covered payroll	13.0%	12.7%	12.7%	12.7%	12.7%	12.7%	12.7%	12.7%

*The amounts presented for each fiscal year were determined as of the calendar year-end that occurred one year prior. Information is only available beginning in fiscal year 2014 (2013 data).

Notes to the Schedule of Town Contributions for the Year Ended December 31, 2020

Note 1. Changes of assumptions.

No changes during the years presented above.

Note 2. Changes of benefit terms.

No changes during the years presented above.

See the accompanying Independent Auditor's Report.

Other Supplementary Information

TOWN OF RICO, COLORADO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2020

	<u>CONSERVATION TRUST</u>	<u>PARKS, OPEN SPACE & TRAILS</u>	<u>TOTALS</u>
ASSETS			
Cash and Equivalents	\$ 37,357	\$ 87,787	\$ 125,144
 TOTAL ASSETS	 <u>\$ 37,357</u>	 <u>\$ 87,787</u>	 <u>\$ 125,144</u>
 LIABILITIES AND FUND BALANCE			
TOTAL LIABILITIES	\$ -	\$ -	\$ -
 FUND BALANCE			
Restricted for Culture and Recreation	37,357	-	37,357
Committed for Parks and Open Space	<u>-</u>	<u>87,787</u>	<u>87,787</u>
 TOTAL FUND BALANCE	 <u>37,357</u>	 <u>87,787</u>	 <u>125,144</u>
 TOTAL LIABILITIES AND FUND BALANCE	 <u>\$ 37,357</u>	 <u>\$ 87,787</u>	 <u>\$ 125,144</u>

See the accompanying Independent Auditor's Report.

TOWN OF RICO, COLORADO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2020

	CONSERVATION TRUST	PARKS, OPEN SPACE & TRAILS	TOTAL
REVENUES			
Taxes:			
Sales and use tax	\$ -	\$ 13,117	\$ 13,117
Lodging tax	-	242	242
Excise tax	-	3,754	3,754
Lottery Proceeds	2,025	-	2,025
Interest	-	44	44
Special Projects	-	-	-
Miscellaneous	-	-	-
TOTAL REVENUES	2,025	17,157	19,182
EXPENDITURES			
Parks and Recreation	-	8,425	8,425
Supplies	-	8,808	8,808
Insurance	-	4,852	4,852
TOTAL EXPENDITURES	-	22,085	22,085
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	2,025	(4,928)	(2,903)
FUND BALANCE, Beginning	35,332	92,715	128,047
FUND BALANCE, Ending	\$ 37,357	\$ 87,787	\$ 125,144

See the accompanying Independent Auditor's Report.

TOWN OF RICO, COLORADO

BUDGETARY COMPARISON SCHEDULE
CONSERVATION TRUST FUND

Year Ended December 31, 2020

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE- POSITIVE (NEGATIVE)
REVENUES				
Lottery proceeds	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ 2,025</u>	<u>\$ 25</u>
EXPENDITURES				
Parks and Recreation	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
EXCESS OF REVENUES OVER EXPENDITURE	(3,000)	(3,000)	2,025	5,025
Fund Balance, Beginning	<u>1,500</u>	<u>1,500</u>	<u>35,332</u>	<u>33,832</u>
Fund Balance, Ending	<u><u>\$ (1,500)</u></u>	<u><u>\$ (1,500)</u></u>	<u><u>\$ 37,357</u></u>	<u><u>\$ 38,857</u></u>

See the accompanying Independent Auditor's Report.

TOWN OF RICO, COLORADO

BUDGETARY COMPARISON SCHEDULE
PARKS, OPEN SPACE & TRAILS FUND

Year Ended December 31, 2020

	<u>ORIGINAL & FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE- POSITIVE (NEGATIVE)</u>
REVENUES			
Taxes			
Sales and use tax	\$ 9,000	\$ 13,117	\$ 4,117
Lodging tax	1,000	242	(758)
Excise tax	1,500	3,754	2,254
Interest	<u>35</u>	<u>44</u>	<u>9</u>
TOTAL REVENUES	<u>11,535</u>	<u>17,157</u>	<u>5,622</u>
EXPENDITURES			
Parks and Recreation Programs	23,314	8,425	14,889
Supplies	10,950	8,808	2,142
Insurance	<u>5,500</u>	<u>4,852</u>	<u>648</u>
TOTAL EXPENDITURES	<u>39,764</u>	<u>22,085</u>	<u>17,679</u>
EXCESS OF REVENUES OVER EXPENDITURE	(28,229)	(4,928)	23,301
Fund Balance, Beginning	<u>92,715</u>	<u>92,715</u>	<u>-</u>
Fund Balance, Ending	<u><u>\$ 64,486</u></u>	<u><u>\$ 87,787</u></u>	<u><u>\$ 23,301</u></u>

See the accompanying Independent Auditor's Report.

TOWN OF RICO, COLORADO

SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION-
BUDGET AND ACTUAL
ENTERPRISE FUND - WATER

Year Ended December 31, 2020

	ORIGINAL & FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Charges to customers	\$ 120,000	\$ 132,691	\$ 12,691
Grants	289,909	52,249	(237,660)
Electric Reimbursement	1,500	1,988	488
Interest	150	614	464
TOTAL REVENUES	411,559	187,542	(224,017)
EXPENSES			
Salaries	110,512	99,393	11,119
Employee Benefits - Life	125	92	33
Attorney	3,000	-	3,000
Auditor	2,036	-	2,036
Repairs and maintenance	220,000	213,985	6,015
Insurance	6,000	5,285	715
Supplies	4,000	3,969	31
Water Samples	4,916	4,507	409
Electric	5,300	5,184	116
Propane	2,182	2,250	(68)
Utilities-other	2,015	1,962	53
Dolores Water Conservancy	2,700	2,700	-
Miscellaneous	500	125	375
Capital Outlay	446,014	102,053	343,961
TOTAL EXPENSES	809,300	441,505	367,795
CHANGE IN NET POSITION, Budget Basis	\$ (397,741)	(253,963)	\$ 143,778
ADJUSTMENTS TO GAAP BASIS:			
Less:			
Depreciation		(65,102)	
CHANGE IN NET POSITION, GAAP Basis		\$ (319,065)	

See the accompanying Independent Auditor's Report.

TOWN OF RICO, COLORADO

SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION -
BUDGET AND ACTUAL
ENTERPRISE FUND - SEWER

Year Ended December 31, 2020

	<u>ORIGINAL & FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES			
Property taxes	\$ 23,641	\$ 23,564	\$ (77)
Specific ownership tax	1,000	1,240	240
Interest	100	99	(1)
Miscellaneous	-	26	26
	<u>24,741</u>	<u>24,929</u>	<u>188</u>
TOTAL REVENUES	<u>24,741</u>	<u>24,929</u>	<u>188</u>
EXPENSES			
Operating	<u>28,758</u>	<u>17,083</u>	<u>11,675</u>
TOTAL EXPENSES	<u>28,758</u>	<u>17,083</u>	<u>11,675</u>
NET INCOME	<u>\$ (4,017)</u>	<u>\$ 7,846</u>	<u>\$ 11,863</u>

See the accompanying Independent Auditor's Report.

Supplemental Data for Oversight Agencies

The public report burden for this information collection is estimated to average 380 hours annually.

LOCAL HIGHWAY FINANCE REPORT	City or County: Town of Rico
	YEAR ENDING : December 2020
This Information From The Records Of (example - City of _ or County of) Town of Rico	Prepared By: Kari Distefano, Town Manager Phone: 970-967-2863

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	51,148
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	56,865
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	0
2. General fund appropriations		b. Snow and ice removal	11,400
3. Other local imposts (from page 2)	25,328	c. Other	0
4. Miscellaneous local receipts (from page 2)	8,672	d. Total (a. through c.)	11,400
5. Transfers from toll facilities		4. General administration & miscellaneous	0
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	0
a. Bonds - Original Issues		6. Total (1 through 5)	119,413
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	0
7. Total (1 through 6)	34,000	b. Redemption	0
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	52,101	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	0
E. Total receipts (A.7 + B + C + D)	86,101	b. Redemption	0
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	119,413

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	0	0	0	0
1. Bonds (Refunding Portion)				
B. Notes (Total)	0	0	0	0

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	91,625	86,101	119,413	60,625	(2,312)

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE:	
		Colorado	
		YEAR ENDING (mm/yy): December 2020	
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	10,465	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	6,260
1. Sales Taxes	14,309	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	554	g. Other Misc. Receipts	2,412
6. Total (1. through 5.)	14,863	h. Other	0
c. Total (a. + b.)	25,328	i. Total (a. through h.)	8,672
	(Carry forward to page 1)		(Carry forward to page 1)
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	14,221	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	1,472	d. Federal Transit Admin	
d. Other -Rico Center Grant	24,628	e. U.S. Corps of Engineers	
e. Other (Specify) Road & Bridge	11,780	f. Other Federal	
f. Total (a. through e.)	37,880	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	52,101	3. Total (1. + 2.g)	
			(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements		51,148	51,148
(3). System Preservation		0	0
(4). System Enhancement & Operation		0	0
(5). Total Construction (1) + (2) + (3) + (4)	0	51,148	51,148
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	51,148	51,148
			(Carry forward to page 1)
Notes and Comments:			

ORDINANCE NO. 297
TOWN OF RICO

AN ORDINANCE ESTABLISHING THE TIME OF YEAR IN WHICH THE TOWN WILL INSTALL WATER TAPS AND OTHER CONNECTIONS TO THE TOWN OF RICO WATER SYSTEM

WHEREAS, the Board of Trustees has determined that the climate in the Town of Rico regularly results in below freezing temperatures during the fall, winter, and spring seasons; and,

WHEREAS, the Board of Trustees recognizes that the installation of water taps and the general excavation and exposure of the Town's water lines and other buried equipment during below freezing temperatures may result in damage to Town equipment and property; and,

WHEREAS, the Board of Trustees finds that the maintenance and protection of the Town's water system is central to protecting and promoting the health, safety, and general welfare of the Rico community;

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF RICO, COLORADO, the following:

SECTION 1: INSTALLATION OF NEW WATERTAPS

The Town of Rico shall not install any new watertaps or otherwise cause, or allow, the connection of a new waterservice to the Town of Rico's municipal water supply from the first day of October to the last day of April.

SECTION 2: EXCEPTIONS

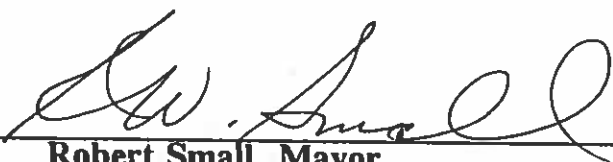
SECTION 1 of this Ordinance shall not apply where the installation of a watertap or connection of a new water service is necessary due to emergency circumstances, in necessary for the maintenance of adequate fire protection, or is necessary for the protection of the public health.

SECTION 3: PUBLICATION


After final adoption, the Town Clerk shall cause a copy of this ordinance to be posted in accordance with Resolution No. 104 of the Town of Rico, Colorado.

FIRST READING OF THIS ORDINANCE HEARD, APPROVED AND ADOPTED BY THE BOARD OF TRUSTEES OF THE TOWN OF RICO this 8th day of August, 1994.

SECOND READING OF THIS ORDINANCE HEARD, APPROVED AND ADOPTED BY THE BOARD OF TRUSTEES OF THE TOWN OF RICO this 13th day of September, 1994.


By: **Robert Small, Mayor**

9/13/94


Attest: **Linda Yellowman, Town Clerk**

9/13/94

Variance Application



Applicant Name Michael Dougherty Phone Number _____

Address 20 N Glasgow Ave Rico Cell Phone Number 518-222-3084

Email ricomillworks@gmail.com Fax Number _____

Street Address of Subject Property 20 N Glasgow Ave Rico

Legal Description of Subject Property Lots 29, 30, and South 5' of lot 31, Block 14

Zone District of Subject Property HC - Historic Commercial

Attachments Required:

☒ Description of Variance Request – cite Rico Land Use sections for which the variance is sought.

☒ Narrative of reasons that Variance should be granted

☐ Statement from County Treasurer showing the status of current taxes due on affected property

N/A ☐ Letter of agency if applicant is other than the owner of the property

☒ An application fee in the amount of \$200.00

☒ A Certificate of Mailing with names, addresses, and property owned of property owners within 200 feet of subject property.

☒ A copy of the deed for the property.

☒ Two (2) 24" by 36" Site Plans and (1) electronic (pdf) site plan showing the following:

North Arrow

Adjacent streets with labels

Scale not greater than 1" = 20' unless
the entire site will not fit on a 24"x 36"
sheet

Areas of environmental concern if
applicable

Vicinity Map

Location of existing buildings if
applicable

Lot lines with dimensions

Location of proposed building if
applicable

Easements with dimensions

Location of existing utilities if
applicable

Acreage of lot

Locations of setbacks and proposed
setbacks if applicable

I swear that the information provided in this application is true and correct and that I am the owner of the property or otherwise authorized to act on behalf of the owner of the property.

Signature: _____  Date **8/19/2021**

Date Application Received _____

Application Reviewed by _____

Application Fee Received _____

Date of Hearing _____

Application Complete _____

Rico Planning Commission Action _____

Mailing Notice Complete _____

Approval Subject to Conditions _____

Other comments:

Board of Health: Variance Request

Michael Dougherty
20 N Glasgow Ave

Per the Town of Rico Ordinance No. 2017-1
Variance 43.4 of Regulation

The OWTS treatment field setback variance request is being sought due to the failure of the existing and outdated OWTS system at 20 N Glasgow Ave. Due to the current OWTS treatment field requirements and site restraints the applicant is seeking a setback variance of 5' instead of 10' from the South lot line to the soil treatment area and 14' instead of 20' from the house with a crawl space to the soil treatment area. The designed system is a huge improvement to public health versus the existing system and will not pose a threat to public health greater than a system that meets all the setbacks.

Certificate of Mailing Notices of all Property Owners within 200'

Sarah and Craig Lyons
PO Box 265
Rico, CO. 81332

Motherlode Enterprises
3370 Charla Dr.
Prescott, AZ. 86305

Lyons Den Construction
PO Box 265
Rico, CO. 81332

Scott Jacobs
PO Box 242
Rico, CO. 81332

Sarah Wight Floyd
19 Normandy Road
Asheville, NC. 28803

Carma Moore, Janet Walker & Jack Fahrion
25150 Rd G 15
Cortez, CO. 81321

Patrick Fallon
PO Box 38
Rico, CO. 81332

Karen Nance & Desiree Rothchild
190 Crystal Rd
Carbondale, CO. 81623

David & Jude Guthridge
PO Box 325
Rico, CO. 81332

Eric and Jolynn Heil
1022 Summit Dr.
Dillon, CO. 81435

Town of Rico
Po Box 56
Rico, CO. 81332

Douglas and Cheryl Clark
6545 East Stallion Rd
Paradise Valley, AZ. 85253

Todd Cislo and Stacy Reed
2645 East Matterhorn Drive
Flagstaff, AZ. 86001

Peregrine Capital Investments, LLC.
6545 East Stallion Rd
Paradise Valley, AZ. 85253

Patricia Engel
PO Box 62
Rico, CO. 81332

Robert Fabian
PO Box 111
Rico, CO. 81332

Ryan Yaseen
PO Box 626
Telluride, CO. 81332

David Pihlgren Irrevocable Trust
PO Box 3822
Telluride, CO. 81435

Susan Hunt Living Trust
3939 E Allin Street #201
Long Beach, CA. 90803

Beacon Group
% John Hinkley
2573 Beacon Dr
Salt Lake City, UT. 84108

Firefox

File

Edit

View

History

Bookmarks

Tools

Window

Help

220v ceiling panel heater - Google

Dolores County Map Viewer

162.221.202.11/mapguide/dolores/index.php

Search

Most Visited

7-Day Forecast for ...

Amazon

Smartsheet

Lot 2 Billing

MyUI Employer

SIDES

Submissions - Ecol...

Other Bookmarks

Dolores County Colorado Online Map Viewer

Zoom

Parcel Search

Severed Mineral Search

Layers

☒ Pin Number

☒ Block

☒ Lot Lines

☒ blocktext

☒ Lot text

☒ Mine Claims

☒ Parcels

☒ Mobile Home

☐ Tax Districts

1

2

Properties

Parcels

1

Name	Value
PIN	504736209006
PHOTO	Property Photo Link
Owner	SWEET ERIN E.
Mail Address	
Address2	
Address3	27696 HIGHWAY 145
Address4	DOLORES
State	CO
Zipcode	813239715
Land Use	Residential Improved
Tax Area	102
Mill Levy	0.075616
Location	20 N. GLASGOW
	17-5047-362-09-006
Legal1	FROM: LAUREN H. WOLFE
Legal2	RICO LTS 29, 30 & S. 5' OF LT 31 BLK 14
Legal3	B-192 P-377 B-217 P-178 B-251 P-290 B-259 P-345
Legal4	B-296 P-144 B-297 P-292 B-324 P-260(WD)
Legal5	B-333 P-297(WTR)
Section	36
Township	40
Range	11
Acres	0.000000
Bldg Value	96983.000000
Xtra Feat	
Value	174.000000
Land Value	55000.000000
Total Value	152157.000000
Assessed Value	10879.000000
Year Built	1900.000000
Bathrms	2.000000
Bedrms	2.000000
Htd SQ ft	808.000000
Sale Date	08/29/2003

Search results

Owner Name

MyProperty

SWEET ERIN E.

4357

X: 761566.383749, Y: 4176041.905122 (METER)

1 Parcels selected

1: 835.26

1039.72 x 606.14 (ft)

Powered by MapGuide

Date: 8/19/2021

RE: Public Hearing on Variance Application

Dear Property Owner,

You are receiving this public notice as required by the Town of Rico Land Use Code because you own property within 200 feet of a proposed variance application for 20 N Glasgow Ave Rico, CO 81332 aka Lots 29, 30 and the South 5' of lot 31, Block 14. The Variance Request is for setback variance requests as shown on the attached site plan.

Name of Applicant: Michael Dougherty

Type of Development Application(s): Variance Application

Legal Description: Lots 29, 30 and South 5' 31, Block 14 Town of Rico

Address: 20 N Glasgow Ave Rico, Colorado 81332

Lot or Site Size: 5,500 sq ft

Review Authority: Rico Board of Trustees acting as the Board of Health

Board of Trustee's Hearing Date: September 15, 2021 6 pm

Location of Public Hearing: Rico Town Hall, 2 Commercial Street, Rico Colorado, 81332 or via Zoom (links posted on the Town of Rico website)

Send emailed comments addressed to the townmanager@ricocolorado.gov

Or by surface mail to:

Kari Distefano
Town of Rico
PO Box 9
Rico Colorado, 81332

170771
Page 1 of 9
Lana Hancock, County Clerk & Recorder
Dolores County, CO
06-15-2021 03:40 PM Recording Fee \$53.00

When recorded, return to:
Alpine Bank
Attn: Final Document Department
400 7th Street South
Rifle, CO 81650
877-886-3171

LOAN #: 405210402914

[Space Above This Line For Recording Data]

DEED OF TRUST

MIN 1002590-0100015955-2
MERS PHONE #: 1-888-679-6377

DEFINITIONS
Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.
(A) "Security Instrument" means this document, which is dated June 15, 2021, together with all Riders to this document.
(B) "Borrower" is MICHAEL DOUGHERTY.

whose address is 20 N Glasgow Ave, Rico, CO 81332.

Borrower is the trustor under this Security Instrument.
(C) "Lender" is Alpine Bank.

Lender is a Colorado Corporation, organized and existing under the laws of Colorado.
Lender's address is 400 7th Street South, Rifle, CO 81650.

(D) "Trustee" is the Public Trustee of Dolores County, Colorado.
(E) "MERS" is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender's successors and assigns. MERS is the beneficiary under this Security Instrument. MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, tel. (888) 679-MERS.
(F) "Note" means the promissory note signed by Borrower and dated June 15, 2021. The Note states that Borrower owes Lender TWO HUNDRED THIRTEEN THOUSAND SEVEN HUNDRED FIFTY AND NO/100***** Dollars (U.S. \$213,750.00)

a nominee for Lender and Lender's successors and assigns. MERS is the beneficiary under the Security Instrument. MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, tel. (888) 679-MERS.

(F) "Note" means the promissory note signed by Borrower and dated **June 15, 2021**. The Note states that Borrower owes Lender **TWO HUNDRED THIRTEEN THOUSAND SEVEN HUNDRED FIFTY AND NO/100******* Dollars (U.S. **\$213,750.00**) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than **July 1, 2051**.

(G) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

(H) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

COLORADO – Single Family – Fannie Mae/Freddie Mac UNIFORM INSTRUMENT Form 3006 1/01
Ellie Mae, Inc. Page 1 of 9

Initials: MD
COEDEED 0916
COEDEED (CLS)
06/11/2021 09:37 AM PST



LOAN #: 405210402914

(I) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower (check box as applicable):

<input type="checkbox"/> Adjustable Rate Rider	<input type="checkbox"/> Condominium Rider	<input type="checkbox"/> Second Home Rider
<input type="checkbox"/> Balloon Rider	<input type="checkbox"/> Planned Unit Development Rider	<input type="checkbox"/> 1-4 Family Rider
<input type="checkbox"/> Biweekly Payment Rider	<input type="checkbox"/> V.A. Rider	
<input type="checkbox"/> Other(s) [specify]		

(J) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.

(K) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.

(L) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(M) "Escrow Items" means those items that are described in Section 3.

(N) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

(O) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.

(P) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.

(Q) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. §2601 et seq.) and its implementing regulation, Regulation X (12 C.F.R. Part 1024), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

(R) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

TRANSFER OF RIGHTS IN THE PROPERTY

The beneficiary of this Security Instrument is MERS (solely as nominee for Lender and Lender's successors and assigns) and the successors and assigns of MERS. This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower, in consideration of the debt and the trust herein created, irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in the County of Dolores

[Type of Recording Jurisdiction]

[Name of Recording Jurisdiction]:

Lots 29 and 30 and the South 5 feet of Lot 31,
Block 14,
TOWNSITE OF RICO, according to the plat thereof filed in the office of the Dolores County Clerk and Recorder.
APN #: 504736209006

which currently has the address of 20 N Glasgow Ave, Rico,

Colorado 81332

["Property Address"]:

[Zip Code]

[Street] [City]

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter part of the property. All encumbrances and additions shall also be covered by this Security

Colorado81332("Property Address"):

[Street] [City]

[Zip Code]


TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property." Borrower understands and agrees that MERS holds only legal title to the interests granted by Borrower in this Security Instrument, but, if necessary to comply with law or custom, MERS (as nominee for Lender and Lender's successors and assigns) has the right: to exercise any or all of those interests, including, but not limited to, the right to foreclose and sell the Property; and to take any action required of Lender including, but not limited to, releasing and canceling this Security Instrument.

COLORADO – Single Family – Fannie Mae/Freddie Mac UNIFORM INSTRUMENT Form 3006 1/01
Ellie Mae, Inc.

Page 2 of 9

Initials: MD

COEDEED 0916
COEDEED (CLS)
06/11/2021 09:37 AM PST



LOAN #: 405210402914

BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record and liens for taxes for the current year not yet due and payable.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. Application of Payments or Proceeds. Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at

Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with Applicable Law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall

COLORADO – Single Family – Fannie Mae/Freddie Mac UNIFORM INSTRUMENT Form 3006 1/01
Ellie Mae, Inc. Page 3 of 9

Initials: MD
COEDEED 0916
COEDEED (CLS)
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LOAN #: 405210402914

apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than 12 monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan.

5. Property Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower. Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or

the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

COLORADO – Single Family – Fannie Mae/Freddie Mac UNIFORM INSTRUMENT Form 3006 1/01
Ellie Mae, Inc. Page 4 of 9



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06/11/2021 09:37 AM PST

LOAN #: 405210402914

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

6. Occupancy. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

7. Preservation, Maintenance and Protection of the Property; Inspections. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

8. Borrower's Loan Application. Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

9. Protection of Lender's Interest in the Property and Rights Under this Security Instrument. If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. Borrower shall not surrender the leasehold estate and interests herein conveyed or terminate or cancel the ground lease. Borrower shall not, without the express written consent of Lender, alter or amend the ground lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

10. Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on

effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage



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06/11/2021 09:37 AM PST

LOAN #: 405210402914

Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed "captive reinsurance." Further:

(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.

(b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

11. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

12. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand



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LOAN #: 405210402914

made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

13. Joint and Several Liability; Co-signers; Successors and Assigns Bound. Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

14. Loan Charges. Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

15. Notices. All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

16. Governing Law; Severability; Rules of Construction. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

17. Borrower's Copy. Borrower shall be given one copy of the Note and of this Security Instrument.

18. Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender

immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under



LOAN #: 405210402914

this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

20. Sale of Note; Change of Loan Servicer; Notice of Grievance. The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

21. Hazardous Substances. As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

22. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date

default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by Applicable Law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the power of sale, Lender shall give written notice to Trustee of the occurrence of an event of default and of Lender's election to cause the Property to be sold. Lender shall mail a copy of the notice to



Initials: MS

COEDEED 0916
COEDEED (CLS)
06/11/2021 09:37 AM PST

LOAN #: 405210402914

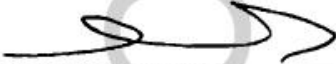
Borrower as provided in Section 15. Trustee shall record a copy of the notice in the county in which the Property is located. Trustee shall publish a notice of sale for the time and in the manner provided by Applicable Law and shall mail copies of the notice of sale in the manner prescribed by Applicable Law to Borrower and to the other persons prescribed by Applicable Law. After the time required by Applicable Law, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder for cash at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's certificate describing the Property and the time the purchaser will be entitled to Trustee's deed. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

23. Release. Upon payment of all sums secured by this Security Instrument, Lender shall request that Trustee release this Security Instrument and shall produce for Trustee, duly cancelled, all notes evidencing debts secured by this Security Instrument. Trustee shall release this Security Instrument without further inquiry or liability. Borrower shall pay any recordation costs and the statutory Trustee's fees.

24. Waiver of Homestead. Borrower waives all right of homestead exemption in the Property.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.


MICHAEL DOUGHERTY

6/15/21
DATE

(Seal)

STATE OF Colorado
County ss: San Miguel

The foregoing instrument was acknowledged before me this 15th day of JUNE, 2021, by MICHAEL DOUGHERTY.

Witness my hand and official seal.
My Commission Expires: 2/12/2025

PAMELA SHIFRIN
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20084039649
MY COMMISSION EXPIRES FEBRUARY 12, 2025


Notary Public

Lender: Alpine Bank
NMLS ID: 414674
Loan Originator: Julie A Gawlowski NMLS 1087622
NMLS ID: 1087622

COLORADO – Single Family – Fannie Mae/Freddie Mac UNIFORM INSTRUMENT Form 3006 1/01
Ellie Mae, Inc.

Page 9 of 9



Initials: MD
COEDEED 0916
COEDEED (CLS)
06/11/2021 09:37 AM PST

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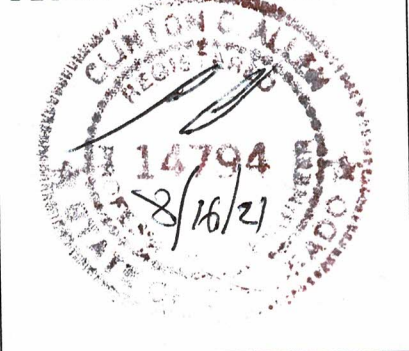
MIKE DOUGHERTY

20 NORTH GLASGOW, RICO, COLORADO 81332
DOLORES COUNTY PARCEL 5047 362 09006
8/9/2021

ONSITE WASTEWATER SYSTEM, ENGINEERED DESIGN

PERMIT #/DATE

DESIGN CERTIFICATION—



THE ENCLOSED PLANS FOR THE ABOVE PROJECT HAVE BEEN DESIGNED BY ME AND WILL BE CONSTRUCTED UNDER MY SUPERVISION.

FINAL CERTIFICATION—

I CERTIFY THAT THIS OSWS HAS BEEN CONSTRUCTED IN ACCORDANCE WITH MY PLANS AND ANY VARIANCES FROM SAME ARE NOTED

THESE PLANS ISSUED BY CAP ALLEN DO NOT CONFER A PERMIT TO CONSTRUCT AN OSWS SYSTEM. THE LOCAL HEALTH DEPARTMENT MUST BE CONTACTED, A PERMIT PURCHASED BY THE OWNER, AND AFTER REVIEW AND APPROVAL BY THE HEALTH DEPARTMENT, SIGNED BY THEM, THE PURCHASE AND COST OF THE PERMIT IS THE RESPONSIBILITY OF THE OWNER. THE HEALTH DEPARTMENT OR OTHER APPROVING AGENCY MAY HAVE COMMENTS OR MODIFICATIONS TO THESE PLANS WHICH MUST BE MADE PRIOR TO CONSTRUCTION.

CONSTRUCTION NOTES

ANY AS BUILT NOTATIONS—

INITIAL SITE VISIT— 8/6/2021

PROGRESS INSPECTION—

FINAL INSPECTION—

NAME OF CONTRACTOR— OWNER

DESIGN NOTES

1. In the field of predicting soil performance for OSWS systems, Cap Allen has taken every effort to provide the most cost effective, and not oversized, OSWS system within the constraints of the level of design investigation performed. Soil conditions vary across a site, and conditions may exist that are impossible to predict within the scope of investigation. The owner must understand that the disposal characteristics of soil vary with groundwater conditions, surface moisture and changes in quantity and character of discharge. Note comments made on these plans as to best long term maintenance practices.
2. Cap Allen is a designer, not a contractor, and has no direct or indirect responsibility for the performance of a contractor or installation of an OSWS.
3. Cap Allen needs to inspect his design as it is being constructed, and to provide a final "As Built" certification. The Health Department will review the completed system after receipt of Engineers final certification. The Health Department may require changes to meet their standards.
4. Cap Allen takes no responsibility for certification of uninspected systems
5. Limitation of Liability— By utilizing this design for construction and remitting the fees for that design to the Engineer, the Owner agrees through those actions to limit the liability of the Engineer for any claims, losses, costs or damages, including attorney's fees, costs and expert witness fees to the total compensation received for this design and inspection. Design done without contract.

7 **ONSITE WASTEWATER SYSTEM SITE VISIT LOG**

RESIDENTIAL ☒ COMMERCIAL/SPECIAL ☐

SITE ADDRESS/LOCATION

PARCEL #

ACRES

BEDROOMS

DATE:

20 NORTH GLASGOW

5047 362 09006

55x100

2

8/8/21

OWNER AND CONTACT INFO.

518-222-3084

MIKE DOUGHERTY

P.O. 116 81332

SITE COMMENTS

OLD HOME

EXISTING PERMIT?

OLD

WELL?

NO

TOP/SLOPE%

EXPOSURE/TREES/VEG.

ALT. SITES AVAIL ?

NORTH 5%

OPEN

NO

BEDROCK/ROCK COMMENTS

NO

GROUNDWATER/SURFACE WATER ISSUES ?

NO

LONG TERM WATER RISE IN HOLE?

NO

TEST HOLE
DEPTH

SOIL TYPE/DESCRIPTION

NOTE IF A CONFINING LAYER

STRUCTURE IF APPLICABLE/LOOSE, CLUMPED, SMEARED

COMMENTS

PERC. RATE?

EST. / MEASURED

SANDY COBBLE
QUART-ALLUV.

SOIL REPLACEMENT

OBSERVED 10' HOLE
NO WATER

BOTTOM
LTAR = 0.8

SITE PLAN

RECONSTRUCTION @ GMAIL.COM

300/18

375x12x7

315

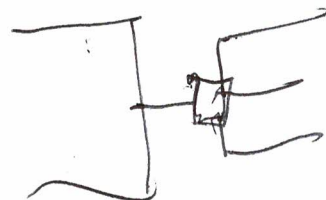
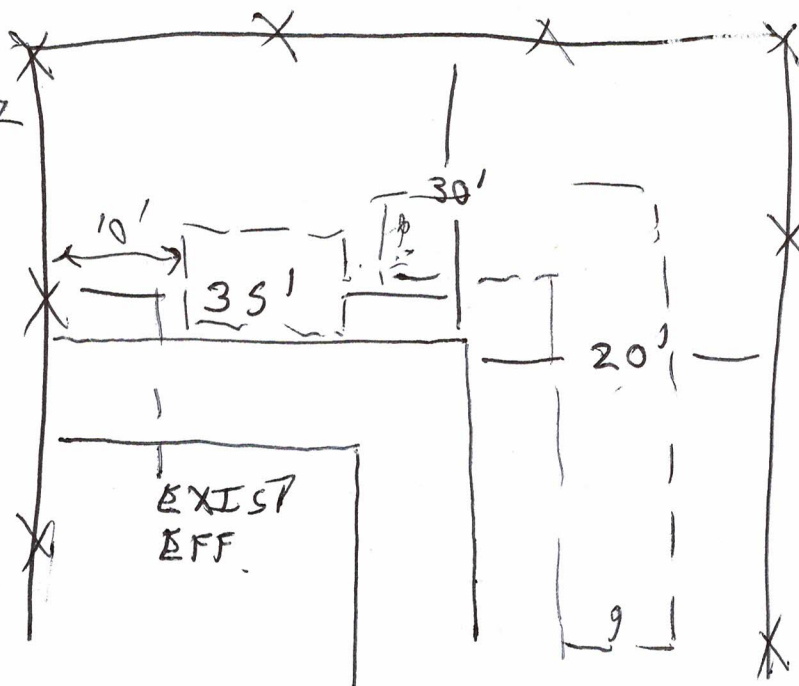
9x85

(36)

3x8

(2#)

3'x4'





Map data ©2021, Map data ©2021 Google 20 ft

5500 S.F. LOT
 EXISTING OLD PIPING TO ??
 ABANDON + REPLUMB EFFLUENT
 ★ NEED SETBACK VARIANCE x 2
 AREA SHOWN ONLY SUITABLE FOR
 OSWS -
 ALL OTHERS UNACCEPTABLE

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MIKE DOUGHERTY

*20 NORTH GLASGOW, RICO, COLORADO 81332
DOLORES COUNTY PARCEL 5047 362 09006
8/9/2021*

DESIGN CRITERIA (PER CDPHE OSWS REG. LANGUAGE)

TREATMENT LEVEL – TL1

SYSTEM SIZING FACTORS

BED, GRAVITY – 1.2

PRESSURE DOSED – 1.0

CHAMBERS USED – 0.7

(OTHER FACTORS INFREQUENT)

SOIL TYPE CLASSIFICATION –

TYPE 1 5–15 MIN/IN LTAR = 0.8

TYPE 2 16–25 MIN/IN LTAR = 0.6

TYPE 2A 26–40 MIN/IN LTAR = 0.5

TYPE 3 41–60 MIN/IN LTAR = 0.35

TYPE 3A+ SPECIAL ENGINEERED SOLUTION

EXISTING 2 BEDROOM HOME, REMODEL, EXISTING OLD SYSTEM HAS BEEN INVESTIGATED AND IS INADEQUATE. DUE TO VERY SMALL LOT DIMENSIONS, A REDUCTION IN SIDE YARD SETBACK IS REQUESTED AS WELL AS DISTANCE TO DWELLING. ALTERNATIVES ARE VERY LIMITED DUE TO LOT SIZE AND PREVIOUS DEVELOPMENT. THIS INSTALLATION WILL IMPROVED PUBLIC HEALTH AT LOCATION.

SITE –

TH1

SOILS DESCRIPTION –

TEST HOLE SHOWS SANDY COARSE COBBLE FOR FULL DEPTH
CHOOSE LTAR = 0.8 AND ADD 12" OF IMPORT CRUSHER FINES
OR REJECT SAND OR OTHER MATERIAL APPROVED BY ENGINEER.

DEPTH TO GROUNDWATER/BEDROCK –

NO GROUNDWATER OR BEDROCK SEEN IN 10' DEEP TEST HOLE

PERCOLATION TEST OR SOIL PERMEABILITY DECISION CRITERIA –

USE LTAR OF 0.8 AUGMENTED BY SOME SOIL REPLACEMENT

TYPE OF SYSTEM REQUIRED –

VERY DIFFICULT SITE DUE TO SIZE, GROUND CONDITIONS, PREVIOUS IMPROVEMENTS
THIS SYSTEM WILL VASTLY IMPROVE CURRENT CONDITIONS, BUT CANNOT MEET
ALL SPECIFIC CRITERIA OF SEPTIC SYSTEM REGULATIONS. SETBACK RELIEF
IS REQUIRED.

SYSTEM SIZING – EQUIVALENT SINGLE FAMILY HOME/2 BR AT LTAR = 0.8
 $300/0.8 \times 1.2 \times .7 = 315$ S.F.
USE 315 S.F.

TANK SIZE – USE NEW 1000 GALLON SEPTIC TANK

BED SIZE – USE 315 SF LEACH BED

NOMINAL BED DIMENSIONS – 9' X 35' WITH 3 ROWS INFILTRATORS, 8 EACH ROW
= 24 PLUS ADD 3 FOR MITERING CORNERS.

CHANGES IN BED DIMENSIONS WITH ENGINEERS APPROVAL MAY BE DONE AT TIME
OF CONSTRUCTION. TOTAL BED SIZE TO REMAIN THE SAME.

DESIGN COMMENTS –

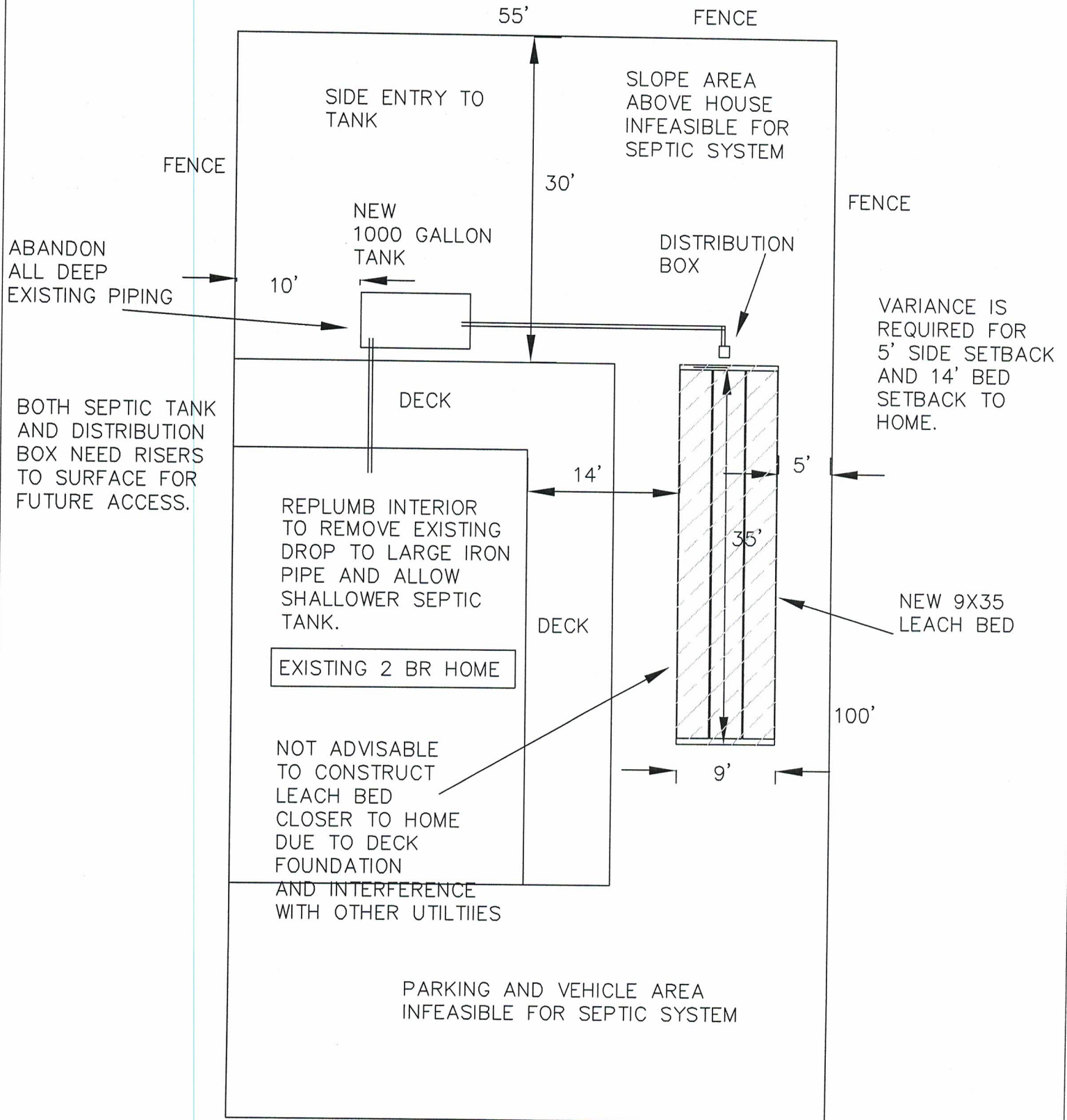
IN GROUND LEACH BED, SPECIAL GEOMETRY, FILL

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8/9/2021



GLASGOW/HIGHWAY 145

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8/9/2021

LEACH BED, PLAN VIEW

TOTAL BED AREA = 315 SQUARE FEET

EXCAVATE BED FROM SIDES
NO EQUIPMENT IN BOTTOM TO
PREVENT COMPACTION. BACKFILL BY
CASTING FROM SIDES. USE APPROPRIATE
SIZED MACHINERY FOR DISTANCE
DO NOT DRIVE ON COMPLETED BED

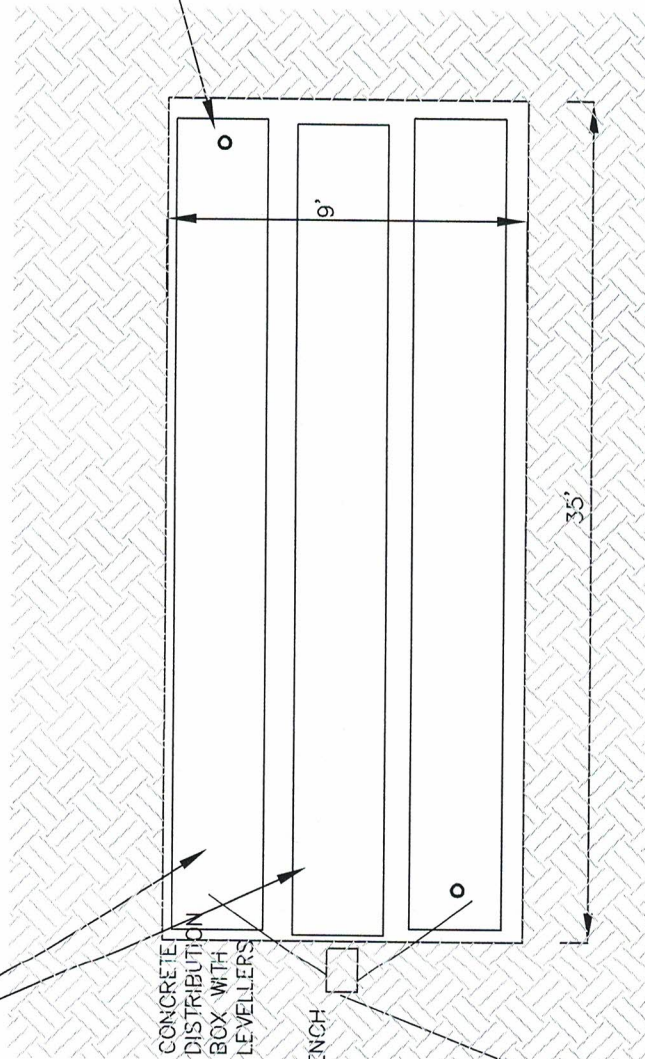
THREE ROWS INFILTRATORS
8' 4"x3' EACH ROW
TO OUTSIDE, TOTAL ACTIVE
BED WIDTH = 9'
TOTAL INFILTRATORS = 24

12" IMPORT FILL UNDER LEACH BED
SEE SECTION DRAWING

2 INSPECTION
PORTS REQD.

3" INSPECTION
PIPE. THROUGH
KNOCKOUT IN
INFILTRATOR TO
GROUND. DRILL
HOLES 2" O.C.
UP TO 12" HIGH

CAP INSPECTION
PIPE AFTER CUTTING
FLUSH AT SURFACE



SET 4" BOX AND
PIPING ON CONC. BENCH
1' ABOVE BOTTOM
OF BED

3" OR 4" PVC
SDR 35 OR
SCH 40
PIPE FROM
TANK

USE AVAILABLE RISER AND
COVER TO BRING D BOX TO SURFACE
WHEN COMPLETE

DEPENDING ON FINAL LOCATION OF SEPTIC TANK AND
LEACH BED, INFLUENT PIPE RELATIONSHIP CAN CHANGE.
INFLUENT PIPE AND DISTRIBUTION BOX CAN ENTER
FROM EITHER END OF BED

NOTE: MINIMUM FALL FOR SYSTEM
SEPTIC TANK TO DISTRIBUTION BOX - 4"
DISTRIBUTION BOX TO LEACH BED - 4"

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8/9/2021

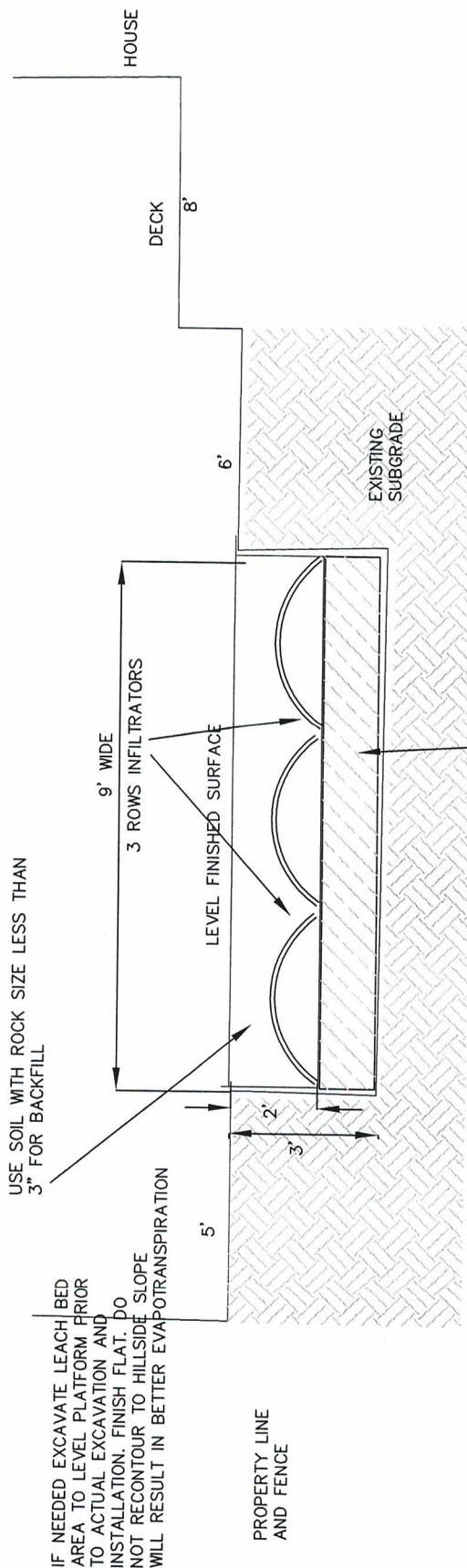
NOTE: MINIMUM FALL FOR SYSTEM
SEPTIC TANK TO DISTRIBUTION BOX - 4"
DISTRIBUTION BOX TO LEACH BED - 4"

LEACH BED, SECTION

TOTAL BED AREA = 315 SQUARE FEET

DESIGN BASED ON 0.8L/TAR

DO NOT PLACE SYSTEM OVER AREA
OF ORIGINAL TEST HOLE TO PREVENT
GROUND WATER RISE.
IF EVIDENCE OF GROUNDWATER IS
FOUND IN EXCAVATION CONTACT
ENGINEER



PREPARE BASE AT 3' DEEP WITH 12" OF CRUSHER FINES OR
REJECT SAND OR OTHER FINE MATERIAL APPROVAL BY ENGINEER
FOR WHATEVER MATERIAL IS USED FOR FILL.

LEVEL AREA FOR BED PRIOR TO INSTALLING INFILTRATORS
AREA TO BE LEVEL +/- 0.2'

CONSTRUCTION NOTES:

BOTTOM OF LEACH BED TO BE EXCAVATED LEVEL +/- 0.2'

NO MACHINERY IN BOTTOM OF LEACH BED, EXCAVATE FROM
SIDE WITH EXCAVATOR WITH ADEQUATE REACH AND BACKFILL
LIKEWISE

NO MACHINERY TO CROSS OVER LEACH BED AFTER BACKFILL
INCLUDING HEAVY TRACTOR MACHINERY

IF WATER IS FOUND LESS THAN 4' BELOW BED, CONTACT
ENGINEER FOR PLAN MODIFICATION

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SITE DEVELOPMENT CRITERIA ONSITE WASTEWATER SYSTEMS PLANNING AND LAYOUT REQUIREMENTS

GENERAL SITE LAYOUT INFORMATION—

THE OWNER OR BUILDER RESPONSIBLE SHOULD CHECK ALL GRADE REQUIREMENTS AS THEY RELATE TO BUILDING PLUMBING, FOUNDATION AND SEPTIC SYSTEM PRIOR TO FORMING ANY FOOTINGS. OFTEN THE LAYOUT OF THE ENTIRE HOME OR STRUCTURE WILL HAVE ITS FOOTING ELEVATION DICTATED BY PROPER SEPTIC SYSTEM INSTALLATION ISSUES. IT MAKES IT VERY DIFFICULT FOR THE ENGINEER TO REJECT A COMPLETED SYSTEM AT INSPECTION (WHEN ALL FOOTINGS, PLUMBING ETC ARE MOST OFTEN COMPLETED) AND CERTIFY THAT A SYSTEM THAT HAS NOT BEEN PLANNED PROPERLY WILL WORK OVER THE TIME PERIOD INTENDED.

PLUMBING CODES DICTATE THAT PLUMBING INTERNAL TO A HOME SHOULD NOT BE AT A GRADE OF LESS THAN $1/4"$ PER FOOT ($= 2\%$). THIS MEANS THAT IN THE EXTREME, A HOME WITH A TOILET 60' FROM THE FOUNDATION EXIT WALL WILL REQUIRE AN EXIT CHASE NO LOWER THAN 18" FROM THE TOP OF STEM WALL. (15" FALL). PLACEMENT OF THE EXIT CHASE IS A PLUMBER CHOICE BUT SEVERELY IMPACTS FUTURE VALUE OF THE SEPTIC SYSTEM IF THE CHASE IS PLACED TOO LOW. BELOW FOOTING OR AT FOOTING /STEM WALL IS UNACCEPTABLE AND NEW HOLES IN WALLS MAY BE REQUIRED TO BE DRILLED.

AN EXIT OF THE BUILDING SEWER AT 18" BELOW STEM TOP WILL ALLOW A 12" DEPTH OF PIPE WHEN THE CODE 6" FOUNDATION REVEAL IS TAKEN INTO ACCOUNT. INLET PIPES TO SEPTIC TANKS ARE 12" BELOW TOP OF TANK. WITH A FEW INCHES OF FALL, THIS ALLOWS THE SEPTIC TANK TO HAVE THE DESIRABLE COVER OF NO MORE THAN 6" OF SOIL.

THE RISER FOR THE FIRST CHAMBER OF A TANK MUST BE FINISHED TO GRADE AND EASILY SEEN TO ALLOW FAST ACCESS FOR PUMPING OR FOR TROUBLE SHOOTING.

CAREFULLY LAID 4" PVC PIPING OUTSIDE THE HOME CAN BE LAID TO A GRADE OF $1/8"$ PER FOOT (1%) WITH GOOD PERFORMANCE IF THE CONTRACTOR LAYS THE PIPE AT A CONSISTENT GRADE WITH NO BELLIES AND DIPS.

CONTRARY TO OLD SCHOOL THOUGHT, THERE IS NO LIMIT ON THE STEEPNESS OF AN EXTERNAL BURIED SEWER PIPE. GRADES OF UP TO EVEN 100% (45 DEGREES) ARE FINE FOR MODERN PVC PIPING.

ODOR— SEPTIC SYSTEMS CONSIST OF SEALED AND BURIED TANKS AND BURIED FIELDS. THERE IS NO REASON FOR ODOR OF ANY KIND FROM A PROPERLY INSTALLED SYSTEM. HOWEVER, DIFFERENT FROM CITY SEWER IS THAT THE HYDROGEN SULFIDE GENERATED BY DECOMPOSING SEWAGE IS HEAVIER THAN AIR. IN A CITY SEWER THAT FLOWS DOWN THE PIPE AND AWAY. IN A SEPTIC SYSTEM IT IS CONTAINED. CERTAIN HOUSE PLUMBING CONDITIONS CAN ALLOW THE HYDROGEN SULFIDE GAS TO BE FORCED UP HOUSE PLUMBING VENTS AND OUT TO THE ROOF. IN NORMAL CONDITIONS THIS GAS IS CARRIED AWAY IN THE AIR. HOWEVER CERTAIN CONDITIONS OF AIR TEMPERATURE AND DENSITY CAN CAUSE THAT HYDROGEN SULFIDE GAS TO ROLL DOWN A ROOF TOP AND IN THE WORST CASE ARRIVE AT A FRONT DOOR AS THE OCCUPANT IS EXITING THE HOME. THIS IS ONLY TIMED RELATIVELY CLOSELY TO PLUMBING USE IN THE HOME. THIS IS NOT A DEFECT OF THE SEPTIC SYSTEM AND THE ENGINEER HAS SOME SUGGESTED FIXES FOR THE ISSUE, WHICH ALL PLUMBERS IN A RURAL AREA SHOULD ALSO HAVE.

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TYPICAL SEPTIC TANK DETAILS SYSTEM CONFIGURATION NOTES ONSITE WASTEWATER SYSTEMS

PIPE GRADE- THERE IS NO PRACTICAL LIMIT ON THE STEEPNESS OF PVC PIPE. I.E. GRADES OF 10%-20% ARE FINE. LOWER LIMIT TO BE 1% (1/8" PER FOOT). DO NOT STEP PIPE DOWN SLOPE WITH DROPS IN ORDER TO MAINTAIN A MINIMUM GRADE. PIPE SIZE DEPENDS ON FIXTURE TOTAL.

HOUSE FOUNDATION. PLAN FOR ELEVATION OF EXIT PIPE THROUGH FOUNDATION IN ACCORDANCE WITH SEPTIC SYSTEM NEEDS TO AVOID A SITUATION WHERE SYSTEM IS TOO DEEP

TYPICAL 1000 GALLON OR 1500 GALLON TANK CONTACT ENGINEER IF POLY TANK TO BE USED

ACCESS HATCH RISERS TO SURFACE OR MAX 4" BURY AND MEASURE OR MARK

8" FALL FROM DISTRIBUTION BOX TO INFILTRATOR ENTRY MINIMUM. CONTACT ENGINEER IF NOT POSSIBLE

DO NOT OVERINSERT INLET OR OUTLET PIPE OR BAFFLE WILL LIMIT FLOW OF SOLIDS

IMPORTANT- PUMPING ACCESS HATCH FOR TANK MUST BE ACCESSIBLE WITH RISER TO SURFACE. TANK TO BE FITTED WITH EFFLUENT FILTER, RISER TO SURFACE FOR EASY MAINTENANCE OF FILTER REQUIRED WITHOUT ANY DIGGING
EFFLUENT FILTER USE IS NOT ENDORSED BY THIS ENGINEER AND OWNER ASSUMES ALL RISKS OF MAINTENANCE IN ITS USE

END CAP, NOTE PIPE ENTRY IN UPPER HOLE OF END CAP

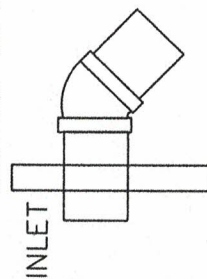
2' DEPTH

MACHINE PLACED ON DO NOT DRIVE ON

DEPTH = D1 + 18-24"

MINIMUM 1% GRADE (1/8" PER FOOT)
TYPICAL BURY 18"-24" DEPTH

IN CASES WHERE TANK DOES NOT PROVIDE INLET BAFFLE. INSTALL 45 DEG BEND AS BELOW



TAIL PIECE BELOW 45 TO EXTEND BELOW WATER LINE OF TANK (3-4" BELOW INLET)

TANK MUST HAVE TEE EXIT BAFFLE IF NO CONCRETE BAFFLE IS INCLUDED IN TANK

8" FALL FROM TANK TO DISTRIBUTION BOX CONTACT ENGINEER IF NOT POSSIBLE

SET D-BOX ON HIGHER UNEXCAV. AREA WITH CONCRETE BASE

RISER TO SURFACE AND LID

INFILTRATORS SET ON GROUND THAT HAS BEEN EXCAVATED LEVEL END TO END AND SIDE TO SIDE AND SCARIFIED PRIOR TO SETTING INFILTRATORS. NO MACHINERY IN BOTTOM OF EXC.

EXACT LAYOUT OF EACH SYSTEM WILL VARY. DETAIL AS A GUIDE ONLY

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DISTRIBUTION BOX NOTES ONSITE WASTEWATER SYSTEM INSTALLATION

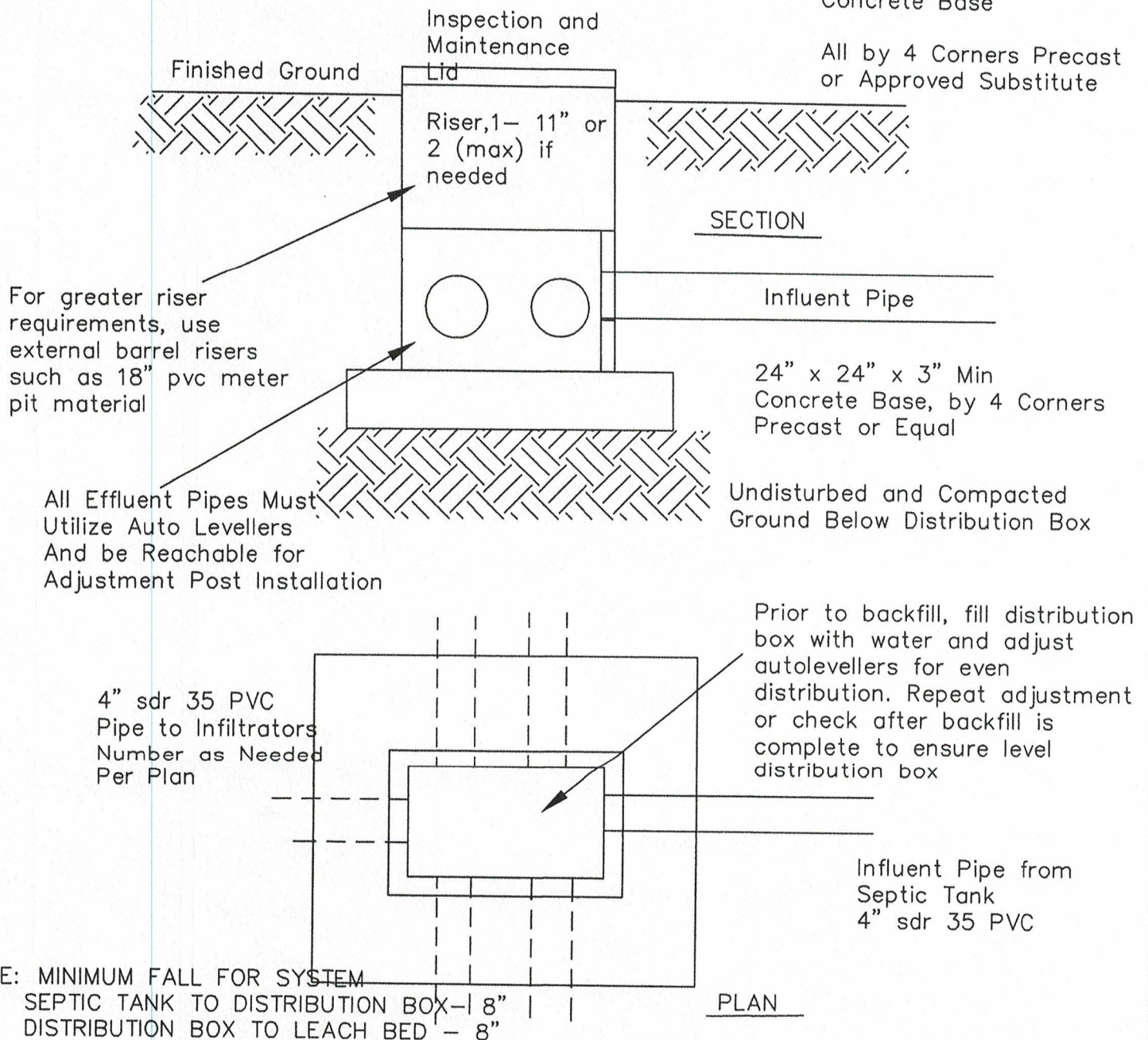
Distribution Box Design

Correct installation of distribution box is very important as many system failures can be traced directly to incorrect effluent distribution and overload of a single portion of a leach bed or leach trenches.

DISTRIBUTION BOX TO BE SET ON MIN 2 CU.F.T MORTAR BASE
OR MANUFACTURER SUPPLIED CONC. BASE
FOR STABILITY AND OUTSIDE BED EXCAVATION.
USE ADJUSTABLE LEVELLERS INSIDE DIST. BOX.
USE RISER OR EXTENSION
BOX FOR FUTURE ACCESS AND INSPECTION

Concrete Distribution Box
Concrete Riser
Concrete Lid
Concrete Base

All by 4 Corners Precast
or Approved Substitute



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GENERAL NOTES, PAGE 1 ONSITE WASTEWATER SYSTEM INSTALLATION

NOTE: NEARLY ALL DIFFICULTIES WITH SEPTIC SYSTEMS AND LEACH FIELDS ARE DUE TO IMPROPER INSTALLATION OR LATER DAMAGE. IT IS VERY IMPORTANT TO FOLLOW THESE GUIDELINES.

CONSTRUCTION NOTES:

1. THIS IS A DESIGN BASED ON ASSUMED AND OBSERVED CONDITIONS. IF ANY VARIATION FROM THAT ASSUMED OR NOTED IS DISCOVERED ON EXCAVATION, CONTACT ENGINEER AS MODIFICATIONS MAY BE NECESSARY.
2. IF THERE IS ANY QUESTION AS TO MATERIALS INCLUDING SEPTIC TANK, PIPING, DISTRIBUTION PUMPS, LEACH BED LOCATION OR FILL MATERIALS, CONTACT ENGINEER.
3. ACTUAL INSTALLER IS RESPONSIBLE FOR FOLLOWING THE REQUIREMENTS OF THESE PLANS.

CONSTRUCTION SPECIFICATIONS:

1. SEPTIC TANKS ARE TO BE TWO COMPARTMENT, CONCRETE, AS MANUFACTURED BY FOUR CORNERS PRECAST OR EQUAL. ENGINEER MUST BE CONTACTED FOR ANY SUBSTITUTE TYPE OF TANK TO BE USED SUCH AS A POLYETHYLENE TANK.
2. PIPING IN ALL CASES TO BE MINIMUM SDR 35 PVC PIPE FOR SEWER USE. USE OF A 5' SECTION OF SCHEDULE 40 PVC PIPE AT INLET AND OUTLET OF SEPTIC TANK IS REQUIRED PER HEALTH DEPARTMENT REGULATIONS. SCHEDULE 40 PVC PIPE MAY BE REQUIRED IN VERY DIFFICULT DIGGING CONDITIONS.
3. INFILTRATOR IS A BRAND NAME AND IS USED HERE AS A GENERIC TERM. OTHER PRODUCTS WHICH SERVE THE SAME PURPOSE AS THE INFILTRATORS CAN BE SUBSTITUTED.
4. MANUFACTURERS RECOMMENDATIONS FOR CONNECTIONS AND END BAFFLES FOR INFILTRATORS ARE TO BE FOLLOWED.
5. WHEN SITE BACKFILL IS ACCEPTABLE, CONTRACTOR TO SELECT TOPSOIL MATERIAL FROM SURROUNDING SITE. CLAY AS BACKFILL IS NOT ACCEPTABLE.
6. SEPTIC TANKS, DISTRIBUTION BOXES AND LEACH BEDS ARE NOT TO BE PLACED IN AREAS WHERE SURFACE TRAFFIC IS EXPECTED. A SINGLE PASS OF A RUBBER TIRE BACKHOE OVER A LEACH BED CAN RENDER IT NON FUNCTIONAL.

MAINTENANCE NOTES:

1. WATER SOFTENERS AND REVERSE OSMOSIS TREATMENT DEVICES AND OTHER TYPES OF WATER CONDITIONING CAN BE DAMAGING TO THE OPERATION OF A SEPTIC SYSTEM. CONSULT THE ENGINEER IF YOU ARE PLANNING ON USING SUCH DEVICES FOR YOUR WATER SUPPLY.
2. PRESERVATIVE CONTAINING CHEMICALS AS MAY BE USED IN HOLDING TANKS FOR RV CAMPERS, ETC, CAN BE VERY HARMFUL TO SEPTIC TANK BACTERIA. DO NOT DISCHARGE "HOLDING TANK" CONTENTS TO YOUR SEPTIC SYSTEM TO PROLONG HEALTH OF THE TANK.
3. PUMPING OF A SEPTIC TANK EVERY 3-5 YEARS WHEN UNDER NORMAL HEAVY USE CAN PROLONG THE LIFE OF THE SYSTEM BY PREVENTING SOLIDS FEED THROUGH TO THE FIELD.
4. THERE IS NO NEED TO USE COMMERCIAL SEPTIC TANK "ADDITIVES" FOR "BACTERIAL HEALTH" AND IN SOME CASES THESE ITEMS CAN BE DETRIMENTAL.
5. NORMAL HOUSEHOLD GARBAGE DISPOSAL WASTE IS NOT DAMAGING TO A SEPTIC TANKS OPERATION IN NORMAL QUANTITIES.
6. DO NOT POUR TOXICS, I.E. GASOLINE, STRONG CLEANERS, ETC, DOWN YOUR DRAINS. THESE WILL KILL OFF OR SHOCK THE ANAEROBIC BACTERIA OF THE TANK.
7. DO NOT IRRIGATE OR SPRINKLE SEPTIC SYSTEM EXCEPT AT INITIAL CONSTRUCTION TO START ANY GRASS.

CAP ALLEN ENGINEERING

14757 Road 26, Dolores, Colorado 81323
970 799 0623 capallen@frontier.net

GENERAL NOTES, PAGE 2 ONSITE WASTEWATER SYSTEM INSTALLATION

TANK INSTALLATION—

1. TANK TO BE INSTALLED LEVEL TO ALLOW FOR DESIGNED DROP FROM INLET TO OUTLET.
2. DO NOT INSTALL TANK TOO DEEPLY. SIMPLE ACCESS VIA RISER TO SURFACE AS PROVIDED BY MAKER IS REQUIRED.
3. PLACE TANK IN AREA THAT IS NOT TO BE DRIVED ON.

DISTRIBUTION BOX—

1. DISTRIBUTION BOX DETAIL MUST BE FOLLOWED.
2. FALL FROM TANK TO DIST. BOX MINIMUM 4". FALL FROM DIST. BOX TO TOP HOLE OF INFILTRATORS MINIMUM 4". 8" TOTAL TANK TO TOP HOLE. ADDITIONAL FALL FROM TANK TO FIELD WITH NO LIMIT IS OK.
3. LEVELLERS IN DISTRIBUTION BOX REQUIRED. SET LEVELLERS AT EVEN GRADE AFTER INSTALLATION USING WATER FILL.
4. DISTRIBUTION BOX MUST HAVE RISERS TO SURFACE. PLAN PROPERLY SO THAT DEPTH DOES NOT REQUIRE MORE THAN ARM LENGTH ACCESS. FINISHED LID ON DISTRIBUTION BOX MUST BE AT GROUND LEVEL AND EASILY ACCESSIBLE.

LEACH BED—

1. ENTIRE LEACH BED TO BE EXCAVATED, DO NOT EXCAVATE TRENCHES UNLESS CALLED OUT IN DESIGN.
2. SELECT BEST SOIL AVAILABLE FROM EXCAVATION FOR BACKFILL, UNLESS IMPORT REQD.
3. BOTTOM OF LEACH BED NOT TO BE ENTERED BY MACHINERY. THIS COMPACTS THE SUBGRADE EXCESSIVELY.
4. SCARIFY BOTTOM OF BED WITH BACKHOE TEETH PRIOR TO PLACING INFILTRATORS.
5. BOTTOM OF LEACH BED TO BE LEVEL PLUS OR MINUS 0.2' IN BOTH DIRECTIONS.
6. PLACE MATERIAL INTO LEACH BED LOOSELY AND WITH BACKHOE OR LOADER.
7. 2' MINIMUM DEPTH FOR ANY LEACH BED UNLESS NOTED DUE TO MOUNDING.
8. ANY POSSIBLE DRAINAGE FROM HOUSE ROOF, SITE OR ANY EPHEMERAL DRAINAGE MUST BE REROUTED AROUND LEACH BED.
9. IF SAND OR CRUSHER FINES AS BACKFILL IS NOTED, THE FINAL GRADE IS TO BE SAND. DO NOT COVER WITH TOPSOIL AS CLAY CONTENT WILL STOP THE EVAPOTRANSPIRATION EFFECT.

PERMIT—

1. THE OWNER IS RESPONSIBLE FOR OBTAINING ANY PERMITS REQUIRED. THIS DESIGN DOES NOT IMPLY APPROVAL BY ANY GOVERNMENTAL AGENCY. SEE FIRST PAGE FOR FURTHER INFORMATION. OWNER IS RESPONSIBLE FOR PERMITTING, ETC. CONSULT WITH INSTALLER TO CONFIRM WHO WILL BE OBTAINING NECESSARY PERMITS AND COMMUNICATE ANY AGENCY REQUIRED CHANGES TO ENGINEER.

CAP ALLEN ENGINEERING

14757 Road 26, Dolores, Colorado 81323
970 799 0623 capallen@frontier.net

REQUIRED SETBACK LIMITS PER STATE OF COLORADO REGULATIONS

TABLE OF MINIMUM HORIZONTAL DISTANCES IN FEET BETWEEN COMPONENTS
OF SEWAGE DISPOSAL SYSTEM AND PERTINENT GROUND FEATURES

	BUILDING SEWER	SEPTIC TANKS, TREATMENT PLANTS OR SEPTIC TANK EFFLUENT LINES	PRIVEY VAULT OR VAULT	LINED, EVAPO-TRANSPARATION BED	LAGOONS	LEACH BED, UNLINED E-T BEDS, PIT PRIVY, SLIT TRENCH, OR SEEPAGE PIT
SPRINGS, WELLS OR SUCTION LINES	50	50	50	60	100	100
POTABLE WATER SUPPLY LINES	10	10	10	10	25	25
CISTERN	25	25	25	25	25	25
DWELLING OR OCCUPIED BUILDING	0	5	15	15	100***	20
PROPERTY LINES	10	10*	10	25	40***	10
SUBSOIL DRAINS	10**	10**	10	10	25	25
LAKE, WATER COURSE OR STREAM	50**	50**	25	50	50***	50
DRY GULCHES	10**	10**	10	10	15	25
SEPTIC TANKS	--	--	--	5	10	10

NOTE:

The minimum distances shown above shall be maintained between the system components and the ground features described. Where geological or other conditions warrant, greater distances may be required.

No system components within 10 feet of property lines.

- * Distance shown shall not apply where effluent discharge is not required to be contained on the premises of origin.
- ** Crossings may be permitted where pipelines are constructed of sufficient strength to contain flows under pressure.
- *** Measurements are from high waterline.

For repair or upgrading of existing systems where the size of lot precludes adherence to these distances, repaired facility shall not be closer to water supply components than the existing facilities.

ADDITIONAL NOTE: SYSTEM DESIGN IS BASED UPON INFORMATION PROVIDED BY THE OWNER. IT IS THE OWNERS RESPONSIBILITY TO ENSURE THAT THE REQUIRED DISTANCES CAN BE MET. CONTACT CAP ALLEN DURING CONSTRUCTION IF IT IS DISCOVERED THAT CRITERIA CANNOT BE MET.

**TOWN OF RICO
ORDINANCE NO. 2017-1**

**AN ORDINANCE OF THE TOWN OF RICO, AMENDING THE RICO LAND USE CODE
BY THE ADDITION OF ON-SITE WASTEWATER TREATMENT SYSTEM
REGULATIONS**

WHEREAS, the Colorado legislature has declared that minimum standards and rules for on-site wastewater treatment systems in the state are a matter of statewide concern pursuant to C.R.S. §31-10-201;

WHEREAS, the Town of Rico Board of Trustees (Board of Trustees) has the power to appoint a board of health and prescribe its powers and duties pursuant to C.R.S. §31-15-201(1)(c);

WHEREAS, the Board of Trustees appoints itself as the board of public health for the sole purpose of regulating on-site wastewater treatment system regulations and designates the Town Manager to act as the Director of Public Health with regard to on-site wastewater treatment systems within the Town of Rico;

WHEREAS, Dolores County shall act as the board of public health for all other purposes other than the Town of Rico on-site wastewater treatment systems; and

WHEREAS, the Board of Trustees, acting as the board of public health shall adopt on-site wastewater treatment system regulations attached as Exhibit A and the Director of Public Health shall implement these regulations.

THE BOARD OF TRUSTEES OF THE TOWN OF RICO ORDAINS, as follows:

SECTION 1.

Town of Rico Land Use Code is amended by the addition of the following:

On-site Wastewater Treatment System Regulations

100.1 Title and Authority

These requirements will be known as the Town of Rico On-site Wastewater Treatment System Regulations, and are located within the Town of Rico

These requirements have been adopted by the Rico Colorado Board of Trustees, acting as a Board of Health pursuant to and under authority contained in the On-site Wastewater Treatment System Act, 25-10-101, et seq. C.R.S. and has designated the Town Manager, acting as the Director of Public Health to implement these regulations on behalf of the Board of Health.

100.2 Scope and Purpose

A. Declaration

1. This regulation applies to On-site Wastewater Treatment Systems as defined in section 25-10-103(12), C.R.S.

B. Purpose

1. The purpose of these regulations is to establish the minimum standards for the location, design, construction, performance, installation, alteration and use of OWTS with a design capacity less than or equal to 2,000 gallons per day within the Town of Rico.

C. Jurisdiction

1. These regulations apply to all new or altered OWTS within the territorial limits of the Town of Rico.

D. Prohibition of OWTS Where Public Sewer Service is Available and Feasible

1. An OWTS permit must not be issued to any person when the subject property is located within a municipality or special district that provides public sewer service, except where such sewer service to the property is not feasible in the determination of the municipality or special district, or the permit is otherwise authorized by the municipality or special district [43.4(B)(11)]

E. Severability

1. Should any section, clause, or provision of these Regulations be declared by a court of competent jurisdiction to be invalid, such decision will not affect the validity of these Regulations as a whole, or any part thereof other than the part declared to be invalid.

100.3 Incorporation of Regulation 43

A. Included by Reference

1. The requirements of the Colorado Water Quality Control Commission's "On-site Wastewater Treatment System Regulation, Regulation 43, 5 CCR 1002-43, Effective date, June, 30, 2017", are made a part of these regulations and will apply except where identified as an option of the local public health agency or where these regulations are more stringent than Regulation 43, 5 CCR 1002-43, and included in these regulations. All aspects of an On-site Wastewater Treatment System including, but not limited to, permits, design, performance, location, construction, alteration, inspection, maintenance and use must be as provided in Regulation 43 and any additional requirements contained in these regulations. Copies of Regulation 43 and any amendments are available for inspection at the office of the Town Clerk.
2. Allowable local options identified in Regulation 43 and the designated decisions for these regulations, if any, are identified in the attached "Appendix A to OWTS for Town of Rico. Appendix A is made a part of these regulations.

B. Excluded

1. Reductions in soil treatment area size or separation distances, and wide beds with higher level treatment units are not allowed under these regulations. All designs must be based on TL-1 parameters as defined in Regulation 43. Area or separation distance reductions and wider beds for higher level treatment can only be allowed in the future if these regulations are amended to include a program of oversight for inspection and maintenance of higher level treatment units, and this amendment is accepted by the Division.

100.4 Permits and Fees

A. Permits [43.4(B)]

1. Prior to installing, altering, expanding or repairing an OWTS, the applicant must obtain a permit from the Town of Rico. All OWTS must be designed and plans must be stamped by a professional engineer.
2. The permit application must include information identified in section 43.4(B)(3) of Regulation 43.
3. An OWTS permit expires one year after the date of issuance if construction has not commenced. After expiration, a new application must be required to begin construction.
4. Any change in plans or specifications of the OWTS after the permit has been issued invalidates the permit unless the permittee receives written approval from the Town of Rico. After a permit is invalidated, a new application and subsequent permit is required to begin construction.
5. Repair permits must identify a reasonable period of time in which the owner must make repairs prior to expiration of the permit.
6. Application for a product development permit may be approved by the Town of Rico consistent with requirements of section 43.4(I) of Regulation 43.

B. Board of Health Review [43.4(B)(9)]

1. When an application is denied by the Town of Rico, an applicant may request review by the local board of health by filing a request for reconsideration with the Town Clerk within thirty (30) days of the date of denial. Upon receipt of the written request for reconsideration, the Town Clerk will schedule a hearing at the next regular meeting of the Rico Board of Trustees, who serve as the Board of Health for the purposes of implementation of the OWTS. The applicant will have the burden of proof in demonstrating that the applicant meets all requirements of Regulation 43 and should be granted a permit. The Board of Health will make a final determination, which determination will be final agency action for the purposes of any further judicial appeal.

C. Fees [43.4(B)(4)]

1. Permit fees and fees for other services and tests associated with OWTS will be set by the Board of Health, in conformance with section 43.4(B)(4) and (5) of Regulation 43 and 25-10-107, C.R.S and are available from the Town of Rico upon request.
2. Waiver of fees [43.4(B)(4)(c)] A waiver of a portion or all of the applicable fees may be requested for good cause shown. Such a request shall be made in writing to the Town of Rico, along with documentation supporting the request. The Town of Rico staff shall make a determination of such waiver within fifteen (15) business days of the request. An appeal to the Board of Health may be made of a denial of such request as provided in Subsection B above.

D. Surcharge [43.4(B)(5)]

1. A surcharge of 23.00 will be collected for each permit issued by the Town of Rico. Of that fee, the Town of Rico will retain three dollars to cover administrative costs and twenty dollars must be transmitted to the state treasurer.

100.5 Inspections [43.4(E)]

A. Septic Tank [43.9(B)(3)(c)]

1. The applicant must notify the local public health agency or its designee one business day prior to completing construction so the local public health agency or its designee can conduct a field inspection of the septic tank before backfilling.

B. Soil Treatment Area and Related Components [43.4(F)(3)]

1. The applicant must notify the local public health agency or its designee one business day prior to completion so the local public health agency or its designee can conduct a final field inspection of the soil treatment area and all related components of the OWTS before backfilling.

Additional Requirements

1. In addition to the inspection required as described in sections A and B above, the design engineer or other professional engineer engaged by the applicant shall make a final inspection of the completed OWTS and its components, prior to back filling, and shall certify that the system has been completed as designed.
2. This certification, stamped by the professional engineer shall be provided and filed with the Town of Rico.
3. Record drawings, which include a scale drawing showing all components of the OWTS including their location from known and findable points, dimensions, depths, sizes, manufactures' names and models as available, and other information relative to locating and maintaining the OWTS components shall be provided to the Town of Rico in both paper and electronic form.

100.6 Variances [43.4(N)]

A. Variances Allowed

1. The Board of Health may approve a variance from a requirement of this Regulation. Variances cannot be granted by staff.
2. Approval of a variance must be based upon evidence presented by the applicant, or their designee, showing that the variance:
 - a) would not be injurious to the public health, water quality, or environment; and
 - b) would prevent a substantial hardship to the applicant.
3. Variances must not be granted under the items identified in section 43.4(N)(5) of Regulation 43.

B. Variance Procedure

1. Variance seekers must request review by the local board of health by filing a request for consideration with the Town Clerk. Upon receipt of the written request for a variance, the Town Clerk will schedule a hearing at the next regular meeting of the Rico Board of Trustees, who serve as the Board of Health for the purposes of implementation of the OWTS. The applicant will have the burden of proof in demonstrating that there would be no injury to public health, water quality or the environment and should be granted a variance.
2. Variance requests must include all items identified in section 43.4(N)(2)(d) of Regulation 43.
3. The applicant has the burden of proof to demonstrate that the variance is justified and will pose no greater risk to public health and the environment than would a system meeting

these Regulations. The Board of Health must determine if this item has been addressed prior to granting a variance.

4. The Board of Health has the authority to impose site-specific requirements and conditions on any variance granted.

Appendix A to OWTS Regulations for the Town of Rico

**Appendix A to OWTS Town of Rico
On-Site Wastewater Treatment
System Regulations**

Local Public Health Agency:				
ITEM	REQUIREMENTS See Check Box for Decision Chosen.	CROSSWALK		
			Citation n Reg #43	Citation Local Reg
Occupancy – Residential	Bedrooms 1 through 3 2 people per bedroom All additional Bedrooms 1 person per bedroom	X	43 6 A 2e	
	All bedrooms 2 persons per bedroom	<input type="checkbox"/>	43 6 A 2.f	
How the number of bedrooms in a home will be defined for flow requirements	Bedrooms flow estimates will be determined from the number of bedrooms originally finished	X		
	If unfinished area is present in house, system must also be sized for 1 or 2 more bedrooms based on an assumption that 150 square feet of unfinished space can be converted into a bedroom, if the space can meet applicable code requirements for a bedroom.	<input type="checkbox"/>	43 6 A 2 h	
Effluent Screen	May be used (owner's option)	<input type="checkbox"/>	43 9 J.1	
	Required in all new septic tanks	X	43 9 J.1	
Length of Distribution Laterals (e.g., trenches or beds)	Limit the length of distribution lines to a maximum of 100 feet	<input type="checkbox"/>	43 10 E 2 c	
	100 feet maximum for gravity fed from one end, and up to 150 feet if pressure dosed or effluent applied at center of lateral or chamber	X	43 10 E 2 b & c	
Inspection ports at initial (front) end of distribution line (e.g., lateral or chamber)	Not required	X		
	Required		43 10.F.6 d	
Vault Privies – new	Allow new vault privies		43 12.D.1.a	
	Prohibit new vault privies	X	43 12.D.1 a	
Vault Privies - existing	Allow continued use of existing vault privies	X	43 12 D.1.b	
	Require abandonment of existing vault privies	<input type="checkbox"/>	43 12 D.1.b	
Pit Privies - new	Allow new pit privies	<input type="checkbox"/>	43 12 D.2.c	
	Prohibit new pit privies	X	43 12 D.2.a	

Pit Privies - existing	Allow continued use of existing pit privies	X	43.12.D.2.c	
	Require abandonment of existing pit privies	<input type="checkbox"/>	43.12.D.2.b	
Slit trenches	Allow slit trenches	<input type="checkbox"/>	43.12.F	
	Prohibit slit trenches	X	43.12.F	
Reductions in STA size or separation distances for higher level treatment systems; OWTS O/M and LPHA oversight required	Allow reductions for higher level treatment	<input type="checkbox"/>	43.14.D.2	
	Reductions for higher level treatment not allowed	X	43.14.D.3	
Transfer of Title Inspections	Inspection of OWTS required prior to transfer of title	<input type="checkbox"/>	43.4.L.1	
	Inspection of OWTS NOI required	<input type="checkbox"/>	43.4.L.1	

SECTION 2: EFFECTIVE DATE.

The provisions of this Ordinance shall become effective immediately upon final passage as defined in Rico Home Rule Charter, § 3.5.

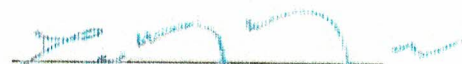
SECTION 3: SEVERABILITY.

If any clause, sentence, paragraph, or part of this ordinance or the application thereof to any person or circumstances shall for any reason be adjudged by a court of competent jurisdiction invalid, such judgment shall not affect application to other persons or circumstances.


INTRODUCED, READ, APPROVED AS INTRODUCED, AND ORDERED PUBLISHED on first reading by Town of Rico Board of Trustees this 20th day of September, 2017.

READ, APPROVED AND ADOPTED BY FINAL READING by Town of Rico Board of Trustees this 18th day of October, 2017

TOWN OF RICO, COLORADO


Zach McManus, Mayor

ATTEST:


Linda Yellowman, Town Clerk

Re: Variances

chuck.cousino@state.co.us | FRI AUG 20 1:09 PM | 1 min read

Kari,

Setbacks to lot lines are mostly a construction item. That is, allowing room to pile the excavated materials, and not have them spill over onto the neighbor's lot. This is not really a public health issue. If the effluent remains below grade, that is where it is supposed to be. And, if the soils are somewhat sandy or loamy, the effluent will for the most part move vertically .

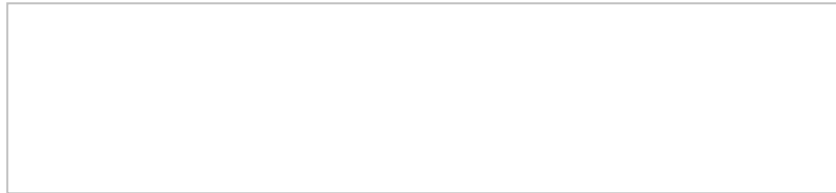
Regarding the liner, I'd actually prefer that the liner not be installed as it could restrict lateral movement of the effluent and possibly cause saturated flow in another area of the STA. However, if the neighbor was squawking about the variance, the liner could be installed.

Let me know if you have any other questions. Have a great weekend,

Chuck Cousino, REHS

OWTS Coordinator

Engineering Section



P 303.692.2366 | F 303.758.1398

4300 Cherry Creek Drive South, Denver, CO 80246

Chuck.Cousino@state.co.us | www.colorado.gov/cdphe/wqed

24-hr Environmental Release/Incident Report Line: 1.877.518.5608

On Fri, Aug 20, 2021 at 12:38 PM townmanager <townmanager@ricocolorado.gov> wrote:

Atlantic Richfield Company

Brian S. Johnson
Liability Business Manager

JOHNSON
& PIERCE, LLC

201 Helios Way
Houston, Texas 77079
Office: (281) 504-9093
E-Mail: brian.s.johnson@bp.com

August 18, 2021

VIA EMAIL AND FIRST CLASS MAIL

Mayor Barbara Betts and Rico Board of Trustees
Town of Rico
2 Commercial Street
Rico, Colorado 81332

RE: Condition of Van Winkle Headframe

Dear Mayor Betts and Members of the Rico Board of Trustees:

The purpose of this letter is to inform the Town of Rico about the degrading condition of the Van Winkle Headframe structure located on Town-owned property and to request that the Town work with the Rico Historical Society to make immediate repairs to the structure before it collapses and possibly causes injury to passersby or creates other physical hazards.

The Headframe structure is located on Town-owned property: the Van Winkle Headframe parcel, Van Winkle Subdivision Lot 3 (PIN 504736200013), at 110 N. Garfield Street in Rico. The structure is surrounded by a steel fence and is used by the public as an historical amenity. Under a January 16, 2003 Historic Preservation and Conservation Easement, the Rico Historical Society was granted an easement to, among other things, conserve and preserve the Van Winkle Headframe and the related structures. The Conservation Easement sets forth the Historical Society's maintenance obligations with respect to the structures. The Conservation Easement provides that the Town of Rico will notify the Rico Historical Society of damage or destruction to the Headframe structure, and the Historical Society will thereafter complete the repair or reconstruction necessary to restore the structure.

Under an August 20, 2008 Maintenance Agreement entered into by the Town and North Rico, Inc. (now dissolved), the Town assumed certain maintenance obligations with respect to the public areas within the Van Winkle Subdivision, including the roads, rights-of-way, and drainage structures. That agreement specifically states that North Rico, Inc. will not be responsible for maintenance of public areas, including the walking trail, the parking and road areas to the east and south of the headframe, the area within the fence surrounding the headframe, and the fence itself.

Recent observations show that the main Van Winkle Headframe structure is tilting to one side, partially collapsed, and leaning against the adjacent steel fence (see attached photos). Other structures inside the fence have also collapsed, and the fence itself is damaged in spots. Atlantic Richfield is concerned that if the condition of the main Headframe structure continues to degrade, it may breach the fence, restrict access on the adjacent parking area and right-of-way, and possibly damage the surface cap on Atlantic Richfield's adjoining reclaimed Lot 2.

We encourage the Town to reach out to the Rico Historical Society and request that they assess the condition of the Headframe structure and develop a plan for either rehabilitating the structure or at least documenting and preserving its historically significant elements. Guidance on historical preservation for buildings like the Van Winkle Headframe is available at <https://www.nps.gov/hdp/habs/index.htm> and <https://www.loc.gov/pictures/collection/hh/>. Should the Historical Society be unable to obtain the funding needed for this project, Atlantic Richfield may be able to contribute financially if a reasonable request is presented. In the meantime, the Town may need to consider restricting access to the area in the interest of public safety. Given the current condition of the structures, we believe time is of the essence for developing a preservation plan and preventing further damage to this important public amenity.

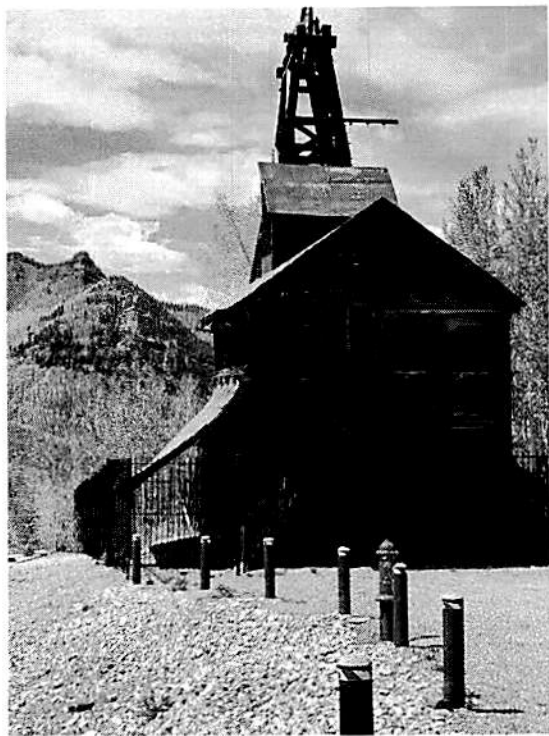
Thank you for your attention to this matter. We look forward to receiving a response from the Town describing the steps to be taken to address this situation.

Sincerely,

A handwritten signature in black ink that reads "Brian Johnson". The signature is written in a cursive, flowing style.

Brian S. Johnson, Liability Business Manager
Atlantic Richfield Company

cc: Nathan Bock, Atlantic Richfield Company
Steve Ferry, Atlantic Richfield Company





HISTORIC PRESERVATION AND CONSERVATION EASEMENT

THIS HISTORIC PRESERVATION AND CONSERVATION EASEMENT ("Easement") is made this 16TH day of JANUARY, 2003, by and between **Rico Properties LLC**, a Colorado limited liability company; **Rico High Altitude Investments LLC**, a Colorado limited liability company; **The Town of Rico**, a Colorado home rule municipality; **Matthew F. Greene** and **Amy L. Levitas**; and **Patricia A. Engel** (individually and collectively "Grantors" as pertains to each party's ownership of affected underlying parcels of land), and **the Rico Historical Society**, a Colorado nonprofit corporation with 501(c)(3) status ("Grantee").

WITNESSETH

WHEREAS, the Grantee is organized as a nonprofit corporation under the laws of the State of Colorado and is a qualifying recipient of qualifying conservation contributions under Sections 170(b), (f), and (h) of the Internal Revenue Code of 1986 as amended (the "Code");

WHEREAS, Grantee is authorized to accept historic preservation and conservation easements to protect property significant in Colorado history and culture under the provisions of Colorado law;

WHEREAS, **Grantors are owners** in fee simple of three parcels of real property located within the Town of Rico, in Dolores County, Colorado, which properties are hereinafter sometimes referred to as the "R.G.S. Rico Water Tower," the "Van Winkle Headframe," and the "Atlantic Cable Headframe" (collectively the "Historic Structures" or the "Premises"), more particularly described in *Exhibit A*;

WHEREAS, the Grantors and Grantee recognize the historical, cultural, and aesthetic value and significance of the Premises, and have the common purpose of conserving and preserving the aforesaid value and significance of the Historic Structures;

WHEREAS, the grant of a Historic Preservation and Conservation Easement by Grantors to Grantee on the real property referred to herein will assist in preserving and maintaining the Premises and their architectural, historical, and cultural features;

WHEREAS, the grant of a Historic Preservation and Conservation Easement by Grantors to Grantee on the Premises will assist in preserving and maintaining the aforesaid value and significance of the Premises;

WHEREAS, to that end, Grantors desires to grant to Grantee, and Grantee desires to accept, a Historic Preservation and Conservation Easement on the premises, pursuant to Colorado law;

NOW THEREFORE, in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, receipt of which is hereby acknowledged, Grantors hereby irrevocably grant and convey unto the Rico Historical Society a Historic Preservation and Conservation Easement in gross in perpetuity in and to the three parcels of real property and the Historic Structures located thereon, owned by Grantors, and more particularly described in *Exhibit A*.

The Easement, to be of a nature and character hereinafter further expressed, shall constitute a binding servitude upon said Premises of the Grantors, and to that end Grantors covenants on behalf of itself, its successors and assigns, with Grantee, and Grantee covenants on behalf of its successors and assigns, such covenants being deemed to run as a binding servitude, in perpetuity, with the land,

to do upon the Premises each of the following covenants and stipulations, which contribute to the public purpose in that they aid significantly in the preservation of the Historic Structures and surrounding land area, and which help maintain and assure the present and future historic integrity of the Historic Structures.

1. Description of Historic Structures. In order to make more certain the full extent of **Grantors' obligations** and the restrictions on the Premises, and in order to document the nature and condition of the Historic Structures as of the date hereof, attached hereto as **Exhibit B** and incorporated herein by this reference are photographs depicting the Historic Structures and the surrounding areas and other baseline documentation regarding the Historic Structures. It is stipulated by and between the Grantors and Grantee that the nature and condition of the Historic Structures as shown on the photographs is deemed to be the nature and condition of the Historic Structures as of the date hereof.

2. Grantors' Covenants. In furtherance of the Easement herein granted, Grantors undertake to do (and refrain from doing as the case may be) upon the Premises each of the following covenants, which contribute to the public purpose of significantly protecting and preserving the Premises:

- a. Grantors shall abide by all terms and conditions of this Easement.
- b. Grantors shall not demolish, remove, or raze the Historic Structures.
- c. Grantors shall not undertake any of the following actions:
 - i. Adversely affect the structural soundness of the Historic Structures
 - ii. Erect anything on the Premises which would interfere with the views of the Historic Structures or be incompatible with the historic character of the Premises.
- d. Grantors shall use the premises only for purposes consistent with the historic preservation and conservation purposes of this Easement.
- e. Grantors agree not to obstruct the substantial and regular opportunity of the public to view the Historic Structures on the Premises from adjacent real property owned by Grantors.
- f. The Premises shall not be subdivided and shall not be devised or conveyed except as in units consisting of each parcel.

3. Grantee's Covenants. In furtherance of the Easement herein granted, Grantee undertakes, of itself, to do (and refrain from doing as the case may be) upon the Premises each of the following covenants, which contribute to the public purpose of significantly protecting and preserving the Premises:

- a. Grantee shall abide by all terms and conditions of this Easement.
- b. Grantee shall not undertake any of the following actions:
 - i. Demolish, remove, or raze the Historic Structures.
 - ii. Adversely affect the structural soundness of the Historic Structures
 - iii. Erect anything on the Premises which would interfere with the views of the Historic Structures or be incompatible with the historic character of the Premises.
 - iv. Remove or destroy trees, shrubs, or other vegetation on the Premises
 - v. Make any topographical changes on the Premises.

- c. Grantee shall use the premises only for purposes consistent with the historic preservation and conservation purposes of this Easement.
- d. Grantee agrees not to obstruct the substantial and regular opportunity of the public to view the Historic Structures on the Premises.
- e. Grantee agrees to use its best abilities, subject to its ability to obtain grant or other funding, to protect and preserve the Historic Structures and to pursue funding resources to meet this obligation.
- f. Grantee agrees to use its best abilities, subject to availability of grant or other funding, to conduct preservation and restoration work on the Historic Structures consistent with site assessments and recommendations as made by the appropriate professionals in historic preservation and conservation efforts.
- g. In exercising any authority created by the Easement, including but not limited to inspection of the premises, conduct of any construction, alteration, repair, or maintenance, or to review any casualty maintenance or to reconstruct the Historic Structures following casualty damage, Grantee agrees to apply state or local standards considered appropriate by Grantors for review of work affecting historically significant structures. Grantee agrees to abide by such standards in performing all ordinary repair and maintenance work and all construction or reconstruction.
- h. Grantee warrants and covenants that Grantee is and will remain a Qualified Organization for purposes of the Code. In the event the Grantee's status as a Qualified Organization is successfully challenged by the Internal Revenue Service, then the Grantee shall promptly select another Qualified Organization and transfer all of its rights and obligations under the Easement to it.
- i. Grantee shall exercise reasonable judgment and care in performing its obligations and exercising its rights under the terms of the Easement.
- j. No utility transmission lines, except those reasonably necessary for the existing Historic Structures, may be created on the Premises, subject to utility easements already in existence.
- k. Grantee agrees to have surveys prepared describing the fenced areas currently surrounding each Historic Structure, to be completed at its cost. Such surveyed areas shall be the Premises for the purposes of this Easement, and the survey plats shall become a part of *Exhibit A* of this instrument. This instrument shall be recorded along with the survey plats of each of the three Historic Structure sites.

4. Casualty Damage or Destruction. In the event that the Historic Structures or any part thereof shall be damaged or destroyed by casualty, Grantors shall notify Grantee in writing within one (1) week of the damage or destruction, including a statement of what, if any, emergency work has been undertaken. Within four (4) weeks of the date of damage or destruction, the Grantee shall submit to the Grantors a written report prepared by a qualified architect, engineer, or other specialist, which shall include the following:

- a. Photographs of the damage or destruction
- b. An assessment of the nature and extent of the damage

- c. A report of such restoration/reconstruction work necessary to return the Historic Structures to the condition existing at the date immediately prior to the date of damage or destruction.

Grantee shall, within twenty-four (24) months of the damage or destruction, subject to availability of obtaining grant or other funds, complete the repair or reconstruction of the Historic Structure in accordance with the specifications included in the damage assessment report.

5. Casualty Damage Resulting in Total Loss. In the event the damage resulting from casualty is of such magnitude and extent as to render repairs or reconstruction of the Historic Structures impossible using all applicable insurance proceeds and any other funds available for such purposes, then:

- a. Grantee may elect to reconstruct the Historic Structure(s) using insurance proceeds, donations, or other funds received by Grantors or Grantee on account of such casualty, but otherwise at its own expense; or
- b. Grantee may elect to choose any salvageable portion of the Historic Structures and remove them from the premises, extinguish the Easement pursuant to Paragraph 16, and this instrument shall thereupon lapse and be of no further force and effect, and Grantee shall execute and deliver to Grantors acknowledged evidence of such fact suitable for recording the land records of Dolores County, Colorado, and Grantors shall deliver to Grantee a good and sufficient Bill of Sale for such salvaged portions of the Historic Structures.

6. Grantors' Remedies. Grantors has the following legal remedies to correct any violation of any covenant, stipulation, or restriction herein, in addition to any remedies now or hereafter provided by law against Grantee, its successors or assigns:

- a. Grantors may, following reasonable notice to Grantee, institute suit(s) to enjoin such violation by ex parte, temporary, preliminary, and/or permanent injunction, including prohibitory and/or mandatory injunctive relief, and to require the restoration of the Historic Structures to the condition and appearance required under this instrument.
- b. Grantors may, following reasonable notice to Grantee, enter upon the Premises, correct any such violation, and hold Grantee responsible for the cost thereof. Such cost until repaid shall constitute a lien on the Premises.
- c. Grantors shall have all available legal and equitable remedies to enforce Grantee's obligations hereunder.
- d. In the event Grantee is found to have violated any of its obligations, Grantee shall reimburse Grantors for any costs or expenses incurred in connection therewith, including all reasonable court costs, and attorneys', architectural, engineering, and expert witness fees.
- e. Exercise by Grantors of one remedy hereunder shall not have the effect of waiving or limiting any other remedy, and the failure to exercise any remedy shall not have the effect of waiving or limiting the use of any other remedy or the use of such remedy at any other time.

7. **Grantee's Remedies.** Grantee has the following legal remedies to correct any violation of any covenant, stipulation, or restriction herein, in addition to any remedies now or hereafter provided by law against Grantors, its successors or assigns:

- a. Grantee may, following reasonable notice to Grantors, institute suit(s) to enjoin such violation by ex parte, temporary, preliminary, and/or permanent injunction, including prohibitory and/or mandatory injunctive relief, and to require the restoration of the Historic Structures to the condition and appearance required under this instrument.
- b. Grantee may enter upon the Premises, correct any such violation, and hold Grantors responsible for the cost thereof. Such cost until repaid shall constitute a lien on the Premises.
- c. Grantee shall have all available legal and equitable remedies to enforce Grantors' obligations hereunder.
- d. In the event Grantors is found to have violated any of its obligations, Grantors shall reimburse Grantee for any costs or expenses incurred in connection therewith, including all reasonable court costs, and attorneys', architectural, engineering, and expert witness fees.
- e. Exercise by Grantee of one remedy hereunder shall not have the effect of waiving or limiting any other remedy, and the failure to exercise any remedy shall not have the effect of waiving or limiting the use of any other remedy or the use of such remedy at any other time.

8. **Runs With the Land.** The obligations imposed by this Easement shall be effective in perpetuity and shall be deemed to run as a binding servitude with the Premises. This Easement shall extend to and be binding on Grantors and Grantee, their respective successors in interest, and all persons hereafter claiming under or through Grantors and Grantee, and the words "Grantors" and "Grantee" when used herein shall include all such persons. Anything contained herein to the contrary notwithstanding, a person shall have no obligation pursuant to this instruments where such person shall cease to have any interest in the Premises by reason of a bona fide transfer. Restrictions, stipulations, and covenants contained in this instrument shall be inserted by Grantors, verbatim or by express reference, in any subsequent deed or other legal instrument by which Grantors divests itself of either the fee simple title or to any lesser estate in the Premises or any part thereof.

9. **Recording.** Grantee shall do and perform at its own cost all acts necessary to the prompt recording of this instrument in the land records of Dolores County, Colorado. This instrument is effective only upon recording in the land records of Dolores County, Colorado.

10. **Existing Liens.** Except for those matters disclosed in writing to Grantee, Grantors warrants to Grantee that no lien or encumbrance exists on the Premises as of the date hereof. If any lien or encumbrance is placed or claimed to be placed on the Premises that would have priority over the rights, title, or interest of Grantee, the causing party shall immediately cause it to be satisfied or released.

11. **Indemnification.** The Grantee hereby agrees to pay, protect, indemnify, hold harmless, and defend at its own cost and expense, the Grantors from and against any and all claims, liabilities, expenses, costs, damages, losses, and expenditures, (including reasonable attorneys' fees and disbursements hereafter incurred) arising out of or in any way relating to the administration,

performed in good faith, of this preservation and conservation Easement, including, but not limited to, the granting or denial of consents hereunder, the reporting on or advising as to any condition on the Premises, and the execution of work on the Premises.

12. Taxes and Assessments. Grantors shall pay immediately, when first due and owing, all general property taxes for the premises. Grantee shall pay immediately, when first due and owing, all incremental increases in any special taxes, special assessments, utility charges, and other charges directly related to the preservation and maintenance of the Historic Structures, which may become a lien on the Premises. Grantors are hereby authorized, but in no event required or expected, to make or advance in the place of the Grantee, any payment of taxes, assessments, utility services, and any other governmental or municipal charge, fine, imposition, or lien asserted against the Premises and may do so according to any bill, statement, or estimate procured from the appropriate public office without inquiry into the accuracy of such bill, statement, or assessment or into the validity of such tax, assessment, sale, of forfeiture.

13. Insurance. The Grantee shall keep the Premises insured by an insurance company rated "A+" or better by Best's for the full replacement value against loss from perils commonly insured under standard fire and extended coverage policies and comprehensive general liability insurance against claims for personal injury, death, and property damage of a type and in such amounts as would, in the opinion of the Grantors, normally be carried on a property such as the Premises protected by a preservation and conservation easement, and considered to be adequate in the sole determination of the Grantee. Such insurance shall include Grantors' interest and name Grantors as an additional insured and shall provide for at least thirty (30) days' notice to Grantors before cancellation and that the act or omission of one insured party will not invalidate the policy as to the other insured party. Furthermore, the Grantee shall deliver to the Grantors fully executed copies of such insurance policies evidencing the aforesaid insurance coverage the commencement of this grant and copies of new or renewed policies at least ten (10) days prior to the expiration of such policy. The Grantors shall have the right to provide such insurance at the Grantors' cost and expense, should the Grantee fail to obtain the same.

14. Written Notice. Any notice which either Grantors or Grantee may desire or be required to give to the other party shall be in writing and shall be mailed postage prepaid by registered or certified mail with return receipt requested, or hand delivered, if to Grantors, then at: Rico Renaissance LLC, 11 South Glasgow Ave, P.O. Box 220, Rico, CO 81332; Town of Rico, P.O. Box _____, Rico, CO 81323; Matthew F. Greene and Amy L. Levitas, _____, _____, Patricia A. Engel, _____, _____; all as may be changed from time to time by notice in writing to Grantee, and if to Grantee, then at: Rico Historical Society, P.O. Box 281, Rico, CO 81332.

15. Evidence of Compliance. Upon request by Grantors, Grantee shall promptly furnish Grantors with evidence of Grantee's compliance with any obligation of Grantee contained herein.

16. Extinguishment. Grantors and Grantee hereby recognize that an unexpected change in the conditions surrounding the Premises may make impossible the continued ownership or use of the Premises for the preservation and conservation purposes and necessitate extinguishment of the Easement. Such a change in conditions includes, but is not limited to, partial or total destruction of the Historic Structures resulting from a casualty of such magnitude that the Historic Structures are demolished or removed and salvaged as explained in Paragraph 5, or condemnation or loss of title

of all or a portion of the Premises or the Historic Structures. Such an extinguishment must be the result of a final judicial proceeding.

17. Interpretation and Enforcement. The following provisions shall govern the effectiveness, interpretation, and duration of the Easement.

- a. Any rule of strict construction designed to limit the breadth of restrictions on alienation or use of property shall not apply in the construction or interpretation of this instrument, and this instrument shall be interpreted broadly to effect its preservation and conservation purposes and the transfer of rights and the restrictions on use herein and as provided for under Colorado law.
- b. Except as expressly provided for herein, nothing contained in this instrument grants, nor shall be interpreted to grant to the public any right to enter on the Premises or in or on the Historic Structures.
- c. For the purposes of furthering the preservation of the Premised and Historic Structures and of furthering the other purposes of this instrument, and to meet changing conditions, Grantors and Grantee are free to amend jointly the terms of this instrument in writing without notice to any other party, provided, however, that no such amendment shall limit the perpetual duration or interfere with the preservation and conservation purposes of the donation. Such amendment shall become effective upon recording in the land records of Dolores County, Colorado.
- d. The terms and conditions of this Easement shall be referenced in any transfer of the property by the Grantors.
- e. It is the intent of the parties to agree to and bind themselves, their successors, and their assigns in perpetuity to each term of this instrument whether this instrument be enforceable by reason of any statute, common law, or private agreement either in existence now or at any time subsequent hereto. This instrument may be re-recorded at any time by any person if the effect of such re-recording is to make more certain the enforcement of this instrument or any part thereof. The invalidity or unenforceability of any provision of this instrument shall not affect the validity or enforceability of any other provision of this instrument or any ancillary or supplementary agreement relating to the subject matter thereof.
- f. Nothing contained herein shall be interpreted to authorize or permit Grantee to violate any ordinance or regulation relating to building materials, construction methods, or use. In the event of any conflict between any such ordinance or regulation and the terms hereof, Grantee shall cooperate with the applicable governmental entity to accommodate the purposes of both this instrument and such ordinance or regulation.
- g. This instrument reflects the entire agreement of Grantors and Grantee. Any prior or simultaneous correspondence, understandings, agreements, and representations are null and void upon execution hereof, unless set out in this instrument.

IN WITNESS WHEREOF, on the date first shown above, Grantors has caused the preservation and conservation Easement to be executed, sealed, and delivered; and Grantee has caused this instrument to be accepted, sealed, and executed; each in its individual name or corporate name by its authorized representative, and attested by its Secretary.

GRANTORS:

Rico Properties L.L.C. 1-16-03
Rico Properties LLC Date

By Steve Foster, its Manager

Rico High Altitude Investments LLC 1-16-03
Rico High Altitude Investments LLC Date

By Steve Foster, its Manager

State of Colorado
County of Dolores



Linda M. Yellowman
Notary Public
My Commission Expires on
OCT. 20, 2006

The Town of Rico Date
By _____, its _____

Attest:

Secretary

Matthew F. Greene Date

Amy L. Levitas Date

Patricia A. Engel Date

GRANTEE:

Earlene G. Hays, president 1-17-03
Rico Historical Society Date

By _____, its _____

Attest:

Jerrie Matthews-Akey
1-17-03, Secretary

DRAFT (Version 1.4)

**RICO TOWNSITE SOILS
VOLUNTARY CLEANUP PROGRAM (VCUP) APPLICATION
Rico, Colorado**

Submitted to:
Colorado Department of Public Health and Environment

Submitted by:
Atlantic Richfield Company
and
Town of Rico

Prepared by:

Formation Environmental, LLC
2500 55th Street, Suite 200
Boulder, Colorado 80301
and

Copper Environmental Consulting
406 E. Park Ave.
Anaconda, MT 59711

February 2021

TABLE OF CONTENTS

List of Tables	iii
List of Figures	iv
List of Attachments	iv
List of Appendices	iv
List of Acronyms and Abbreviations	v
1 PREFACE	1
1.1 Summary of Work Performed Since 2004 VCUP Application	1
1.2 Current Status of VCUP Soil Sampling and Remediation	3
1.3 Summary of Additional Proposed Work	3
1.4 Organization of VCUP Application	4
2 GENERAL INFORMATION	5
2.1 Owner of Site Property	5
2.2 Applicant Contact Persons, Addresses, and Phone Numbers	5
2.3 Location of Property	6
2.4 Type and Source of Contamination	6
2.5 Voluntary Cleanup or No Action Determination	6
2.6 Current and Proposed Land Uses	6
3 PROGRAM INCLUSION	8
4 ENVIRONMENTAL ASSESSMENT	9
4.1 Legal Description of Site	9
4.2 History of Mining Activities in Rico	9
4.3 Mine Site Cleanup Projects	10
4.4 Physical Characteristics of Site	11
4.4.1 Topography	11
4.4.2 Surface Water Bodies and Wastewater Discharge Points	12
4.4.3 Groundwater Monitoring and Supply Wells	12
4.5 Chemical Nature and Extent	13
4.5.1 Site Groundwater Conditions	13
4.5.2 Site Soil Conditions	14
4.5.2.1 Previous Investigations	14
4.5.2.2 Known Soil-Lead Conditions	15
4.5.3 Environmental Sampling Methods - 2004 VCUP	16
5 APPLICABLE STANDARDS/RISK DETERMINATION	19

5.1	Rico Townsite Soils Lead Health Risk Assessment.....	19
5.2	Site-Specific VCUP Action Levels for Lead in Soil.....	19
5.3	Rico Blood Lead Study	20
5.4	Residual Risk Analysis.....	21
6	CLEANUP PROPOSAL	22
6.1	Phase 1 - Soil Characterization and Soil Remediation	23
6.1.1	Consistency with Past VCUP Work.....	24
6.1.2	Community Outreach and Education.....	25
6.1.3	Soil Sampling and Analysis	25
6.1.4	Soil Remediation at Developed Properties	27
6.1.4.1	Scope of Work.....	28
6.1.4.2	Soil Remediation Plan	29
6.1.5	Remediation of Road and Alley Segments.....	29
6.1.6	Record Keeping and Data Management	31
6.1.7	Completion of VCUP Actions, By Property.....	31
6.1.7.1	Soil Sampling Reports and No Action Determinations (NADs).....	31
6.1.7.2	Cleanup Completion Reports and No Further Action Determinations	32
6.2	Phases 2 and 3 – Institutional Controls	32
6.2.1	Governmental Controls - Overlay Zone Regulations.....	33
6.2.1.1	Rico Soils Overlay Zone (RSOZ)	34
6.2.1.2	Environmental Remediation Overlay Zone (EROZ)	34
6.2.2	Rico Soils Management Program	34
6.2.2.1	Information Resources	36
6.2.2.2	Technical Resources	38
6.2.2.3	Clean Soil Supply	40
6.2.3	Town Maintenance of Remediated Road Segments.....	41
6.3	Rico Soil Lead Repository Operations, Maintenance, and Closure	41
7	SCHEDULE FOR COMPLETION OF VCUP ACTIVITIES.....	43
8	REFERENCES	45

LIST OF TABLES

Table 1	SUMMARY OF SOIL LEAD CONCENTRATIONS (Depth = 0-2 inches) MEASURED IN THE TOWN OF RICO15
Table 2	PROJECTED SCHEDULE ¹ FOR VCUP PHASE 1
Table 3	ANTICIPATED SCHEDULE ¹ FOR INSTITUTIONAL CONTROLS PROGRAM – VCUP PHASES 2 AND 3

LIST OF FIGURES

- Figure 1 Rico Townsite Location Map
- Figure 2 Town of Rico Boundary and Parcels (January 2020)
- Figure 3 Previously Sampled and Remediated Parcels
- Figure 4 Town of Rico Site Boundary and Property Ownership (March 2018)
- Figure 5 Pre-Remediation Spatial Distribution of Lead in Soil (0-2 inches)
- Figure 6 Town of Rico Zoning Map (Adopted August 31, 1999)
- Figure 7 Location and Size of Site with Township and Range
- Figure 8 Historical Mines and Smelters in the Town of Rico
- Figure 9 Lead Concentrations In Unpaved Road and Alley Samples 0-2" Depth
- Figure 10 VCUP Project Remediation Status (2019)
- Figure 11 Properties to be Sampled
- Figure 12 Sampled and Developed Properties with Lead > 1,100 mg/kg
- Figure 13 Remediated Properties Potentially Disturbed Since Remediation

LIST OF ATTACHMENTS

- Attachment 1 Previously Sampled Properties
- Attachment 2 Previously Remediated Properties
- Attachment 3 Town of Rico Property Ownership
- Attachment 4 Properties Identified for Soil Sampling During Phase 1
- Attachment 5 VCUP Remediated Properties Identified for Re-Sampling Due to Recent Soil Disturbance
- Attachment 6 Developed Properties Identified for Soil Remediation During Phase 1 (Preliminary)

LIST OF APPENDICES

- Appendix A – COLORADO VCUP CHECKLIST
- Appendix B – QUALIFICATIONS OF ENVIRONMENTAL PROFESSIONALS
- Appendix C – SUMMARY OF WORK COMPLETED UNDER 2004 VCUP APPLICATION
- Appendix D – RICO TOWNSITE SOILS 2021 VCUP WORK PLAN
- Appendix E – DRAFT TOWN OF RICO OVERLAY ZONE REGULATIONS

LIST OF ACRONYMS AND ABBREVIATIONS

AMSL	Above Mean Sea Level
AR	Atlantic Richfield Company
bgs	below ground surface
CDPHE	Colorado Department of Public Health and Environment
CERCLA	Comprehensive Environmental Response, Compensation and Liability Act
cfs	cubic feet per second
cy	cubic yards
EPA	US Environmental Protection Agency
EROZ	Environmental Remediation Overlay Zone
ESA	Environmental Site Assessment
FAQ	Frequently Asked Question
GCL	Geo-composite Liner
GIS	Geographic Information System
gpm	Gallons per minute
ICP	Inductively Coupled Plasma
ICs	Institutional Controls
ISWP	Individual Site Work Plan
LAL	Lead Action Level
mg/kg	milligrams per kilogram
NA	Not Applicable
NAD	No Action determination
NFA	No Further Action
O&M	Operation and Maintenance
PUD	Planned Unit Development
PVC	Polyvinyl Chloride
QC	Quality Control
RCRA	Resource Conservation and Recovery Act
RLUC	Rico Land Use Code
RSOZ	Rico Soils Overlay Zone
SAP	Sampling and Analysis Plan
TEC	Titan Environmental Corporation
VCUP	Voluntary Cleanup Program
XRF	X-Ray Fluorescence

1 PREFACE

This Rico Townsite Soils Voluntary Cleanup Program (VCUP) Application is submitted for review under the State of Colorado Voluntary Cleanup Program. The Applicants submitting this VCUP Application are:

- Atlantic Richfield Company (AR) and
- Town of Rico, a current landowner.

This application follows an earlier Rico Townsite Soils VCUP Application (AR 2004a) submitted to the Colorado Department of Public Health and Environment (CDPHE) on June 24, 2004. The 2004 VCUP Application proposed a phased investigation and cleanup approach to address lead-contaminated soil within the Town of Rico, Dolores County, Colorado. The additional cleanup work proposed in this Application will be performed to complete the work initiated in 2004 and will address certain additional properties within the current Town boundaries where soil-lead concentrations exceed the applicable, site-specific, action level.

1.1 IN LIGHT OF RECENT CHANGES TO THE CENTERS FOR DISEASE CONTROL AND PREVENTION BLOOD LEAD REFERENCE LEVEL, AR IS WORKING WITH HUMAN HEALTH RISK ASSESSMENT PROFESSIONALS, AS WELL AS THE TOWN, CDPHE, AND EPA, TO REVIEW THE SITE-SPECIFIC LEAD ACTION LEVELS (LALS) TO BE USED IN THIS VCUP AND VERIFY THEIR CONTINUED PROTECTIVENESS. THE FINALIZATION OF THE LALS WILL BE A DELIVERABLE UNDER THE VCUP. THE TOWN'S PARTICIPATION IN THE VCUP PROGRAM WILL BE CONDITIONED ON (A) CDPHE SETTING LALS THAT ARE ACCEPTABLE TO THE TOWN, AND (B) THE TOWN AND AR REACHING AGREEMENT ON THE TERMS OF THE VCUP IMPLEMENTATION, FUNDING, AND SETTLEMENT AGREEMENT. THE TOWN MAY UNILATERALLY WITHDRAW FROM THE VCUP APPLICATION IN THE EVENT THE TOWN DETERMINES THESE CRITERIA ARE NOT SATISFIED. SUMMARY OF WORK PERFORMED SINCE 2004 VCUP APPLICATION

The Town of Rico ("the Town") is located in southwestern Colorado, as shown on Figure 1, "Rico Townsite Location Map." The Town boundary is depicted on Figure 2, "Town of Rico Boundary and Vicinity Map."

Investigations, cleanup activities, and document submittals completed under the 2004 VCUP Application were performed by AR with the cooperation of the Town of Rico. Since June 2004, AR has conducted the following VCUP activities:

- Assessment of known environmental conditions, and sampling and analysis of soil within the Town of Rico, including soil sampling at over 400 individual properties, to document the concentrations of lead in soil.

- Determination of human health risk and development of site-specific, risk-based action levels for lead in soil in cooperation with CDPHE.
- Completion of the following phased remedial actions:
 - Construction of the Rico Soil Lead Repository in 2005 for disposal of soil removed from Town properties and having lead concentrations above a site-specific action level;
 - Cleanup of 75 properties, each consisting of one or more parcels, that were determined by VCUP sampling activities to have soil that contained lead above the applicable, CDPHE-accepted, risk-based action level; and
 - Reclamation of the Van Winkle Mine site in 2008.
- Results of VCUP investigation activities and the site-specific risk assessment were provided in the following reports that were prepared for and accepted by CDPHE:
 - Phase I Work Plan and Preliminary Data Report (September 23, 2004)
 - Phase II Work Plan (May 25, 2005)
 - Lead Health Risk Assessment for Rico Townsite Soils (April 6, 2006)
 - Blood Lead and Environmental Monitoring Study for Rico Townsite, Phase 1 Data Summary Report (September 15, 2006)
 - Final Data Report and Data Evaluation (June 7, 2006)
 - Rico Railroad Corridor Sampling and Analysis Report (February 2, 2007)
 - Blood Lead and Environmental Monitoring Study for Rico Townsite, Phase II Data Summary Report and Trend Analysis (February 13, 2007)
 - Alley Sampling Results (October 7, 2008)
 - Sampling and Analysis Plan, Rico Soils Voluntary Cleanup Program, Rico, Colorado, including Appendix A – Evaluation of Background Lead Concentrations (Revision 1, July 2014)
 - Rico Town Soil Sampling Project, 2014–2015 Data Summary Report (December 11, 2015).

As documented in the reports listed above, AR conducted soil sampling in the Town of Rico at various times beginning in 2004 and continuing to 2015. Soil sampling was performed at both developed and undeveloped properties, as allowed by access agreements with the property owners. In total, soil samples were collected for analyses of lead from 348 residential parcels (216 developed and 132 undeveloped), 73 non-residential parcels, unpaved roads and alleys, proposed sewer-line corridors, and the Dolores River corridor. Soil samples were analyzed for lead concentration. Pre-2006 soil sampling data were used to support a site-specific, human health risk assessment that evaluated residents' exposures to lead in soil and identified levels of lead in soil of potential health concern.

Based on information provided by the risk assessment, two risk-based action levels were identified for lead in soil: a residential-soil action level of 1,100 milligrams per kilogram (mg/kg) and a commercial soil

action level of 1,700 mg/kg. These action levels were selected and adopted by CDPHE, in consultation with the U.S. Environmental Protection Agency (EPA), in 2006 and 2007 for soil remediation performed as part of this VCUP project.

In 2005, AR constructed the Rico Soil Lead Repository, located approximately one mile north of the Town limit on property now owned by AR, for disposal of soil removed from locations within the Town of Rico with elevated lead levels. The location of the repository is shown on Figure 2. AR has continued to maintain the repository since that time in accordance with the repository's Operations and Maintenance Plan (SEH 2004) and a Certificate of Designation issued by Dolores County. The soil repository remains available for future disposal of soil with elevated lead levels. As of January 2021, the repository has a remaining capacity of approximately 30,800 cubic yards (cy), or 77 percent of the original capacity.

AR conducted soil remediation at individual properties in the Town of Rico from 2005 to 2007. The details of that work are summarized in Appendix C. The locations of previously sampled and remediated parcels are shown on a map of the Town in Figure 3 and lists of those properties are attached (refer to Attachments 1 and 2). At the properties remediated by AR, soil with lead concentrations exceeding the applicable action levels was removed to a depth of approximately 12 inches, a landscape fabric layer was placed at the bottom of the excavation to mark the extent of soil replacement, and then clean soil (e.g., soil with lead concentrations less than 100 mg/kg) was used to backfill the excavated area. The excavated soil was transported from each parcel to the Rico Soil Lead Repository. AR conducted remediation of the waste rock pile at the Van Winkle Mine site in 2008. Soil removed from that site was also disposed of in the Rico Soil Lead Repository.

1.2 CURRENT STATUS OF VCUP SOIL SAMPLING AND REMEDIATION

Most of the parcels sampled in 2004-2005 with soil lead concentrations above the VCUP action levels were remediated in 2005-2007 (refer to Appendix C for additional information regarding past work under the VCUP). Most of the remediated parcels were developed properties with an existing residential use. Parcels sampled in 2014 and 2015 that were found to have soil lead concentrations above a soil action level have not been remediated at this time. Unpaved roads with lead concentrations previously measured in surface soil above the commercial action level (to be determined) also have not been addressed. In addition, approximately 100 remaining parcels within the Town limits, most of which are undeveloped, have not been sampled to characterize lead concentrations in soil.

1.3 SUMMARY OF ADDITIONAL PROPOSED WORK

Soil removal to a depth of approximately 12 inches and replacement with clean soil is the response action that will be taken at locations where lead concentrations in soil are greater than the applicable site-specific action level. This approach is consistent with the VCUP soil remediation that has already been conducted as part of the Rico Townsite Soils VCUP project, with CDPHE's oversight. In addition, Institutional Controls (ICs) will be implemented to protect remediated areas from disturbance during future development within the Town of Rico.

AR and the Town of Rico (the “Applicants”) propose to complete the following additional VCUP tasks:

- Characterize soil lead concentrations at parcels that remain to be sampled (approximately 100 total) in the Town of Rico where an access agreement can be obtained from the property owner.
- Complete soil remediation at developed properties where residential use is permitted by the Rico Land Use Code and where lead concentrations in surface soil exceed the residential action level (to be determined). For the purpose of the Rico Townsite Soils VCUP project, a developed property is defined as an improved property with a structure that is in a condition suitable for commercial or residential use and occupation.
- Complete soil remediation at developed properties subject to zoning restrictions prohibiting residential use (i.e., Public Facilities and Open Space parcels) where lead concentrations in surface soil exceed the commercial action level (to be determined).
- Perform surface soil remediation on unpaved road and alley segments where lead concentrations exceed the to-be-determined LAL.
- Establish ICs to (a) preserve and protect remediated soil conditions, (b) provide protocols for managing soil disturbed during future development activities, and (c) provide community outreach and education.
- Provide for a soil management program consistent with ICs Program.
- Provide for community outreach and education.
- Obtain No Action determinations (NADs) from CDPHE for the individual properties where lead in soil does not exceed the applicable site-specific action level.
- Submit property-specific Cleanup Completion Reports to obtain No Further Action (NFA) determinations from CDPHE for the properties where soil remediation has been performed.

These tasks would be implemented in accordance with specifications included in Section 6 of this Application and the 2021 Phase 1 VCUP Work Plan (Appendix D). The projected schedule for implementation and completion of the proposed work is included in Section 7.

1.4 ORGANIZATION OF VCUP APPLICATION


The Colorado VCUP requirements and CDPHE’s online VCUP Checklist were consulted in the preparation of this VCUP Application (CDPHE 2008). Because this VCUP Application is for a site that has no current industrial operations, certain requirements on the VCUP checklist are not applicable. The completed VCUP Checklist is included as Appendix A. Information requirements that are not applicable (NA) to the Rico Townsite Soils VCUP project are designated as such in the checklist.

2 GENERAL INFORMATION

2.1 OWNER OF SITE PROPERTY

Property ownership within the VCUP project area is indicated on Figure 4, “Town of Rico Site Boundary and Property Ownership Map.”

AR owns one parcel, the reclaimed Van Winkle Mine subdivision Lot 2 (Dolores County property identification number [PIN] 504736200012), within the Town of Rico. The only other local properties owned by AR are to the north and outside of the Town boundary in the vicinity of the St. Louis Tunnel, including the land on which the Rico Soil Lead Repository is located. The Town of Rico owns multiple parcels within the Town boundary (as shown on the parcel-ownership map in Figure 4), but most of the land in the Town of Rico is privately owned by others.

Properties owned by the Applicants and various other individuals and private entities are to be addressed under this VCUP Application. For properties not owned by the Applicants, authorization for the Applicants to proceed with the work described in this VCUP Application and to request a NFA after the work is completed will be obtained from the owner of each individual parcel through an access agreement  as part of the Institutional Controls program (refer to Section 6.2). When AR performs soil sampling or soil cleanup, the access agreement entered into by the property owner will establish that AR is acting as the property owner’s designated VCUP representative. Where the property owner or developer acting on behalf of the owner performs future soil cleanup (*i.e.*, on currently undeveloped parcels), the property owner has the option of opting in to the VCUP program at the time of remediation, including the potential for AR to obtain authorization at the time a development permit is issued to act on the property owner’s behalf in obtaining an NAD or NFA when the cleanup is complete.

2.2 APPLICANT CONTACT PERSONS, ADDRESSES, AND PHONE NUMBERS

Atlantic Richfield: Brian S. Johnson, Project Manager
Atlantic Richfield Company
201 Helios Way Houston, TX 77079
832-239-2711
Brian.S.Johnson@bp.com

Town of Rico: Town Manager
PO Box 9
2 Commercial Street
Rico, CO 81332
(970) 967-2863
townmanager@ricocolorado.gov

2.3 LOCATION OF PROPERTY

The Rico Townsite Soils VCUP project area (the “Site”) is located in southwestern Colorado and consists of lands within the present boundaries of the Town of Rico. Figure 1, “Rico Townsite Location Map,” indicates the general location of the Town of Rico, and Figure 4, “Town of Rico Site Boundary and Property Ownership Map,” identifies the area within the current Town limits, which comprises the VCUP project area.

The parcels identified on Figure 4 are the individual lots existing as of January 2021. The lots shown on Figure 4 (and listed in Attachment 3) are the properties addressed by this VCUP Application. Any additional lots created by subdivision of these existing lots or in areas annexed by Town after January 2021 will not be identified for Phase 1 soil remediation by the Applicants.

2.4 TYPE AND SOURCE OF CONTAMINATION

The contamination to be addressed under the VCUP is lead in soil. The source of the lead in soil may be attributable to mining and mineral processing activities, lead-based paint, other anthropogenic sources, or high naturally occurring levels of lead associated with local bedrock. A site-specific risk assessment completed in 2006 (Integral 2006a) supported development of a risk-based cleanup approach for Rico Townsite Soils.

Most of the data available to characterize lead concentrations in soil originate from the 2004 VCUP investigations. These data typically characterize the lead content of surface soil (i.e., top 0 to 2 inches of soil cover) with additional data collected to characterize lead concentrations in soil at greater depth. Additional lead-concentration data are available from soil sampling and analyses conducted within the Site by others, including EPA, CDPHE, and environmental consultants working on behalf of individual landowners (e.g., Walsh 1995).

Figure 5, “Pre-Remediation Spatial Distribution of Lead in Soil,” is a map of lead concentrations in soil samples collected from depths of 0 to 2 inches. The lead concentrations mapped on Figure 5 were obtained from samples collected in advance of any soil remediation activities, and therefore, Figure 5 represents the pre-remediation distribution of lead in surface soil. In general, the highest lead concentrations were present in the river corridor and in the northeast part of Rico along the Silver Creek drainage.

2.5 VOLUNTARY CLEANUP OR NO ACTION DETERMINATION

This application is being submitted for a Voluntary Cleanup pursuant to Colorado’s Voluntary Cleanup and Redevelopment Act. C.R.S. § 25-16-301 et seq.

2.6 CURRENT AND PROPOSED LAND USES

The Town of Rico has adopted its Rico Land Use Code (RLUC) to guide regulation and management of land use and development within and around Rico. The Town’s land-use zones are depicted in Figure 6, “Town of Rico Zoning Map.” Most of the Town is zoned for residential use with commercial use allowed

at some locations along State Highway 145, the main road passing through Rico (Glasgow Avenue). Residential uses are currently allowed in all zoning districts except for “Public Facilities” and “Open Space.” Since adoption of the zoning shown in Figure 6, the reclaimed Van Winkle Mine site (see Figure 3 for location) was rezoned to allow for residential, open space, and historical preservation uses following the Town’s approval of the Van Winkle Subdivision.

Land along the river corridor is a mix of Town-owned and private parcels. This area is currently zoned for residential uses. The expected future uses of land within the river corridor include limited recreational, residential, commercial, and public facilities. For the Town-owned land parcels within the river corridor that are considered more difficult to develop (due to floodplain, avalanche, or other hazardous risk) and which have value for open space use and recreation, the Town plans to protect such areas for future recreational use and preservation as open space. Parcels located on steep slopes and in avalanche hazard zones have also been identified by the Town as more difficult to develop.

In general, future land uses are expected to be consistent with existing zoning; however, the Town has the authority to modify zoning and related land uses.

3 PROGRAM INCLUSION

Based on criteria identified in CDPHE's VCUP Application Guidance Document (CDPHE 2008), the Rico Townsite Soils Site is eligible for inclusion in the Colorado VCUP Program under the Voluntary Clean-Up and Redevelopment Act, C.R.S. § 25-16-301 et seq., as follows:

- The Town of Rico and AR own certain properties within the Town's boundaries, and the Town has municipal jurisdiction over other properties addressed under this VCUP Application.
- By agreement with individual property owners, AR serves or will serve as the designated VCUP representative for soil characterization and soil cleanup work on parcels not owned by the Town. For properties where AR has not obtained VCUP representation via agreements with individual property owners, VCUP representation will be requested when development occurs under the ICs program. If the property owner does not so consent, the property will remain subject to the requirements of the ICs program as set forth in the RLUC.
- The properties addressed under this VCUP Application are not the subject of corrective action under orders or agreements issued pursuant to provisions of C.R.S. § 25-15-301 et seq. or the federal Resource Conservation and Recovery Act of 1976 (RCRA), as amended.
- The properties addressed under this VCUP Application are not subject to an order issued by or an agreement with the Water Quality Control Division pursuant to C.R.S. § 25-8-601 et seq.
- The properties addressed under this VCUP Application do not have or should not have a permit or interim status pursuant to C.R.S. § 25-15-301 et seq. (RCRA Subtitle C) for treatment, storage, or disposal of hazardous waste.
- The properties addressed under this VCUP Application are not subject to the provisions of C.R.S. § 8-20.5-201 et seq. (Underground Storage Tanks).
- The properties addressed under this VCUP Application are not listed or proposed for listing on the National Priorities List of Superfund sites established under the Comprehensive Environmental Response, Compensation and Recovery Act (CERCLA).

4 ENVIRONMENTAL ASSESSMENT

This environmental assessment was prepared by qualified environmental professionals from Formation Environmental, L.L.C. (Formation) in Boulder, Colorado and Copper Environmental Consulting, in Anaconda, Montana. A Statement of Qualifications for each firm is provided as Appendix B.

4.1 LEGAL DESCRIPTION OF SITE

The Site covers an area of approximately 450 acres in the S½SW¼ Section 25 T40N R11W, SE¼SE¼ Section 26 T40N R11W, W½ Section 36 T40N R11W, E½ Section 35 T40N R11W, NW¼NW¼ Section 1 T39N R11W, and NE¼NE¼ Section 2 T39N R11W, as shown on Figure 7 “Location and Size of Site with Township and Range.”

4.2 HISTORY OF MINING ACTIVITIES IN RICO

The following information on the operational history of the Site that resulted in the release of lead to the environment is based on descriptions of mining history in Ransome (1901) and McKnight (1974). Figure 8, “Historical Mines and Smelters in the Town of Rico” shows the locations of historical mining features in the vicinity of the Town of Rico.

Mining-related operations started in and around the Rico Mining District in the 1860s, and sporadic surface and near-surface exploration followed, with limited success, until 1879, when high-grade silver ores were discovered. That same year, the Town of Rico was incorporated, and a 320-acre townsite with streets and alleys was platted. Much of the high-grade silver mined during this period was processed through milling and smelting operations at the Grand View Smelter, constructed at the north end of town in 1880, and the Pasadena Smelter, constructed at the south end of town in approximately 1882.

During this same period, the Rio Grande Southern Railroad operated facilities within the Town, including a station house, fueling areas, a turnaround spur, a water tower (still standing), and side spurs up Silver Creek and to Newman Hill (Enterprise Mine). The railroad’s presence is primarily evidenced today by the old railroad grade along the Dolores River, which remains as a dirt road and trail.

The Pro Patria Mill was constructed near the center of Rico (see Figure 8) in 1900 and began operations in 1902. An aerial tram transported ore down from the Newman Hill area to the Pro Patria Mill. In addition, a small mill using magnetic separation technology was developed at the nearby Atlantic Cable Mine. The Pro Patria Mill was converted to a 250-ton per day flotation mill in 1926 and processed most of the ore produced in the Rico Mining District between November 1926 and July 1928. The mill was permanently closed in 1928. The major mining areas active at this time included the Shamrock and Atlantic Cable Mines. Tailings from the Pro Patria Mill are thought to be impounded mostly at the Columbia Tailings site. Major in-town mine operations from this era came to an end in 1929.

In 1939, the Rico Argentine Mining Company built a 135-ton per day flotation mill up the Silver Creek drainage, northeast of Rico, and ore from most mines in the area was processed there in subsequent years. The Rico Argentine Mining Company sunk the Van Winkle mine shaft in 1942, which provided

significant ore to the Argentine Mill for several years. Most lead production in the district occurred during the period from 1939 to 1971, and production came to a close in 1971 when the Rico Argentine mines and mill were shutdown. Significant mining activity in the area has not occurred since that time.

In June 1978, the Anaconda Company (Anaconda) entered into an agreement with Rico Argentine Mining Company, a division of Crystal Exploration and Production Company, under which Anaconda obtained exclusive possession of Rico Argentine Mining Company's mineral properties in the Rico vicinity for exploration purposes. Pursuant to a June 1980 Letter Agreement and an August 1980 Closing Agreement with Crystal Exploration and Production Company, a subsidiary of Crystal Oil Company, Anaconda acquired Rico Argentine Mining Company's surface and mineral properties in the Rico area. The Atlantic Richfield Company, a successor to Anaconda, subsequently sold these properties to Rico Development Corporation under a Purchase and Sale Agreement executed in May 1988.

4.3 MINE SITE CLEANUP PROJECTS

Between 1995 and 1997, AR completed the following mine-site cleanup projects in the Town of Rico in accordance with the State of Colorado's VCUP:

- Silver Swan Mine Area
- Columbia and Old Pro Patria Mill Tailings and Silver Swan East Waste Rock Pile
- Santa Cruz Mine Area
- Grand View Smelter Site

The locations of each of these sites are indicated on Figure 8. Each of these remediation projects was completed under an individual VCUP Application (AR et al. 1996a, 1996b, 1996c, 1996d).

An engineering evaluation/cost analysis was conducted to evaluate removal action alternatives for tailings, waste rock, and other mining-related materials at these sites (AR 1996). Remediation work was performed by AR, and the cleanup approach for each site was similar and included: regrading, waste consolidation, treatment with lime, capping of waste rock and/or tailings with growth media, and protection from erosion through construction of run-on and run-off controls. Confirmation soil samples were collected following remediation (ESA 1996). AR received NFAs from CDPHE for these VCUP projects on December 10, 1999.

Additional details for cleanup conducted at the separate mine sites are as follows:

Silver Swan Mine Area – The Silver Swan Mine area is located on the west side of the Dolores River at the south end of Rico (see Figure 8). The mine features present include a rock-filled adit, a 2.3-acre waste rock pile adjacent to the Silver Swan Mine on the west bank of the Dolores River, and 1.5-acre wetlands. Prior to cleanup, the adit drainage flowed over and through the waste rock pile before reaching the Dolores River. Under the VCUP, the waste rock pile was treated with lime and covered with 1 foot of soil and revegetated (AR et al. 1996b). Nearby slopes were covered with riprap to prevent

erosion by the river during periods of high flow. The adit discharge (50 gallons per minute [gpm]) was redirected to a lined pond at the head end of the wetlands area. The natural wetlands were enhanced by addition of an aerobic treatment step (the pond).

Columbia and Old Pro Patria Mill Tailings and Silver Swan East Waste Rock Pile – Both the Columbia tailings and Pro Patria tailings were produced by the Pro Patria mill (Falcon mill) in Rico. The Silver Swan Mine was the source of the Silver Swan East waste rock pile. The mine waste cleanup involved removal of tailings and waste rock from two areas on the east bank and floodplain of the Dolores River -- the Silver Swan East (600 cy) and Pro Patria sites (3,300 cy) -- and consolidation with the regraded Columbia Tailings (45,000 cy) in a single repository at the Columbia Tailings location. The consolidated tailings and waste rock were surface graded, compacted, treated with lime, covered with 2 feet of growth material to minimize infiltration, and run-on and run-off controls were installed (AR et al. 1996a).

Santa Cruz Mine Area – The Santa Cruz Mine area, on the west boundary of Rico and west of the Dolores River (see Figure 8), included patented mining claims covering the Santa Cruz, Iron Clad, and Rico Boy mines. Cleanup under the VCUP consisted of consolidating an estimated 6,000 cy of material with the remainder of the waste rock, regrading and compaction of waste rock to reduce infiltration and impacts to surface water, treating the pile with lime, covering the waste rock with 12 inches of growth media, and revegetating (AR et al. 1996c). Combined flows from four adits were conveyed in lined channels around the waste rock pile to a wetlands complex.

Grand View Smelter Site – Soil sampling at the former Grand View Smelter location showed elevated lead and other metals concentrations, along with some exposed slag. The VCUP cleanup included placement of growth media and revegetation over approximately 1 acre of disturbed slopes and mine waste, installation of run-on and run-off controls, and stabilization of an area adjacent to the Dolores River by covering with riprap (AR et al. 1996d).

4.4 PHYSICAL CHARACTERISTICS OF SITE

4.4.1 TOPOGRAPHY

Rico is located in the southwest part of the San Juan Mountains where very steep to steep mountain slopes and steep to moderate sloping tributary stream valleys abruptly descend upon the gently to moderately sloping and relatively narrow Dolores River valley. Many of the steep draws and gulches formed on the hillsides on both sides of the Dolores River, and its Silver Creek tributary, are snow avalanche chutes. Elevations in the Rico area generally range from over 12,000 feet above mean sea level (AMSL) at the crest of surrounding mountain peaks, such as Telescope Mountain (12,201 feet AMSL) and Dolores Mountain (12,112 feet AMSL), to approximately 8,700 feet AMSL in the Dolores River valley. The intersection of Glasgow Avenue (State Highway 145) and Mantz Street in the Town of Rico is at an elevation of about 8,800 feet AMSL.

Most of present-day Rico is built on moderate to low slopes developed where tributaries to the Dolores River deposit alluvial fans on the river's flood plain. These low slopes continue to be preferred for

development, but because of their limited area, future residential development may expand onto steeper slopes rising above the river valley.

4.4.2 SURFACE WATER BODIES AND WASTEWATER DISCHARGE POINTS

The Dolores River below the Town of Rico has a mean annual flow of 129 cubic feet per second (cfs) with a typical seasonal flow range ¹ between approximately 15 and 650 cfs, depending on annual precipitation and snowmelt patterns. Annual high flows occur during late spring and early summer snowmelt runoff. The annual low-flow period occurs in November through March, with February having the lowest average monthly flow of 18 cfs. The 100-year-flood peak flow for the Dolores River is estimated at approximately 2,700 cfs (Dames and Moore 1981).

Silver Creek is the principal tributary to the Dolores River in this area. Silver Creek flows through the northern part of Rico before entering the river. The gradient of the relatively narrow cobble- and boulder-lined channel is moderate where it passes through Town. Historical instantaneous measurements of Silver Creek flow below the Argentine Tailings ponds (located to the northeast and upstream of the Site) ranged from about 0.06 cfs to 23 cfs. Most annual high flows occur during snowmelt runoff in the spring and early summer months (April–July). Infrequent floods result from high-intensity rainfall during the summer months. The 100-year-flood peak flow for Silver Creek is estimated at 525 cfs (Dames and Moore 1981). In Rico, the channel is locally incised and confined by flood control banks.

4.4.3 GROUNDWATER MONITORING AND SUPPLY WELLS

The Town of Rico obtains drinking water from a water supply located upgradient of the Town of Rico and VCUP project area. There are no known groundwater monitoring or supply wells within the Town of Rico.

Colorado Division of Water Resources records were searched for all registered water-supply wells in the eastern end of Dolores County. Most of the wells on record are in the Dunton area within the West Dolores River Basin. There are three registered supply wells in the vicinity of Rico, but none of these wells currently supplies water used within the project area. Two of the wells supply water for private domestic use and are located one mile upstream of Town. The third well was used historically by the Colorado Department of Transportation. This well has been plugged and abandoned.

Three piezometers constructed of perforated polyvinyl chloride [PVC] pipe were installed within the Town of Rico in 1995. The piezometers were used to determine the depth to water in alluvium on the perimeter of the Columbia Tailings pile. These piezometers have since been abandoned. At present, there are no known unregistered water wells within the townsite or along the Dolores River in the immediate vicinity of the Site.

¹ https://waterdata.usgs.gov/nwis/inventory/?site_no=09165000&agency_cd=USGS

Several groundwater samples were collected in the fall of 2002 as part of a CDPHE Brownfields study (CDPHE 2003). These samples were collected at the Dolores County Maintenance Barn site, which is located within the Town boundary. Lead concentrations in these groundwater samples were not detectable.

4.5 CHEMICAL NATURE AND EXTENT

The distribution and concentrations of metals, including lead, in the exposed bedrock and surface soil in the Town of Rico reflect the influence of the area's geologic setting and the presence of hydrothermally altered and metals-enriched bedrock, as well as mining, milling, and metals-processing activities. The bedrock in the townsite has the highest overall metal content (AECOM 2014), and the colluvium derived from weathering and erosion of this bedrock is nearly as high. The townsite was developed on these natural materials. Fugitive emissions and other releases related to historical mining activities resulted in elevated metals concentrations in some surface and near-surface soils. Subsequent development activities in the Town likely reduced lead concentrations in surface soils on some properties to some extent. However, development of the Town did not eliminate the spatial distribution of natural and anthropogenic lead and other metals in surface soil (AR et al. 1996d). A map of the pre-remediation soil lead concentrations (see Figure 5) indicates relatively high lead in areas of natural colluvial and alluvial deposits, such as the Silver Creek drainage. Specific areas of mining-related impacts, such as waste rock and tailings piles, can be readily identified from the shape of these features and the distinctive color and texture of mine wastes compared to surrounding natural soil (AR 2006).

4.5.1 SITE GROUNDWATER CONDITIONS

Based on the groundwater data from a 2002 Brownfields study (CDPHE 2003), the potential for transport of lead from soil to groundwater appears low. Lead values from five groundwater sampling locations in the vicinity of the County Maintenance Barn were all reported as non-detects. These groundwater sampling locations were in the same area as four surficial soil sampling sites for which lead values were reported to range from 620 to 4,500 mg/kg, with an average concentration of 2,580 mg/kg. There are no known water supply wells within the Town of Rico.

Groundwater Depth - No existing groundwater monitoring or water supply wells are known to be located within the Town of Rico. Therefore, no data exist to document water table elevations or groundwater movement across the townsite. Short-term measurement of the piezometers at the Columbia Tailings site indicated a local groundwater gradient downstream and toward the Dolores River, as would be expected in the shallow alluvial aquifer being monitored. A generally similar pattern of downslope (toward the Dolores River) and downstream groundwater flow would be expected within the alluvial and colluvial deposits underlying much of the Town of Rico.

Hydraulic Tests - No hydraulic tests of aquifers are known to have been performed within the Town of Rico.

4.5.2 SITE SOIL CONDITIONS

4.5.2.1 PREVIOUS INVESTIGATIONS

The prior Rico Townsite Soils VCUP investigations have included extensive soil characterization efforts, and the results of those investigations have been reported to CDPHE previously (refer to list of reports provided in Section 1.1). Appendix C of this Application also provides a summary of the past VCUP activities. In addition, several other investigations in the Rico area have included the sampling and analysis of soil for lead, and those other investigations are briefly described below.

Walsh (1995) – Walsh Environmental Scientists and Engineers, Inc. conducted Phase I and Phase II Environmental Site Assessments (ESAs) for Rico Renaissance, the owner of several parcels in and around the Town of Rico. The Phase II ESA included limited sampling of waste rock piles, mine tailings, and fill material. Forty-eight samples were collected, targeting areas of interest to Rico Renaissance. Thirteen of the samples were in commercial/residential areas and seven were from locations where soil was considered representative of natural background. Samples were generally collected from depths of 0 to 2 inches, but in some cases, samples were collected to depths of up to 8 inches.

AR (1996e) – As part of the VCUP Application for the Grand View Smelter Site, AR incorporated data from the PTI Environmental Services sampling performed in 1995. The PTI study included 73 soil sampling locations. Of those, 32 were residential surface samples, 20 were background surface samples, and 20 characterized residential soil at greater depth (PTI 1995). One sample was also collected from mine waste at the Van Winkle Mine Site.

TEC (1996) – Titan Environmental Corporation (TEC) contracted with Michael Russ to perform geological and geochemical mapping of soils in the Town of Rico to characterize metals concentrations in relation to the mineralogy of the source material and historical mining and processing operations. As part of this study, 24 rock outcrops and 22 surficial deposits (alluvium, colluvium, and slope wash) were sampled and analyzed for metals. The TEC study concluded that concentrations of selected metals (including lead) in surficial deposits are derived predominantly from geologic processes acting on natural sources.

Walker (CDPHE 1996) – Following submittal of the Grand View Smelter VCUP Application (AR et al. 1996d), CDPHE collaborated with AR in a study to “confirm or refute” the conclusions in the Grand View Smelter VCUP Application. Thirty-one soil samples were collected for lead analysis from various depths, and several samples were submitted for mineral speciation. The study concluded that both natural and anthropogenic sources of lead were present at the Site. Natural sources of lead are related to exposure and weathering of mineralized bedrock. Anthropogenic sources of lead include mine waste rock, mill tailings, and smelter slag, which can be observed at the ground surface at locations of historical mining, milling, and smelter operations.

State of Colorado Brownfields (2003) – The CDPHE conducted limited groundwater and surface soil sampling as part of Brownfields assessment fieldwork in late 2002. Four surface soil samples were collected at the Dolores County Maintenance Barn site within the Town of Rico. Lead concentrations in these samples ranged from 620 to 4,500 mg/kg and averaged 2,580 mg/kg.

EPA (2004) – The EPA sampled soil at numerous locations within the Town of Rico in October 2003. Data from this sampling event were included in the 2004 VCUP Application for Rico Townsite Soils.

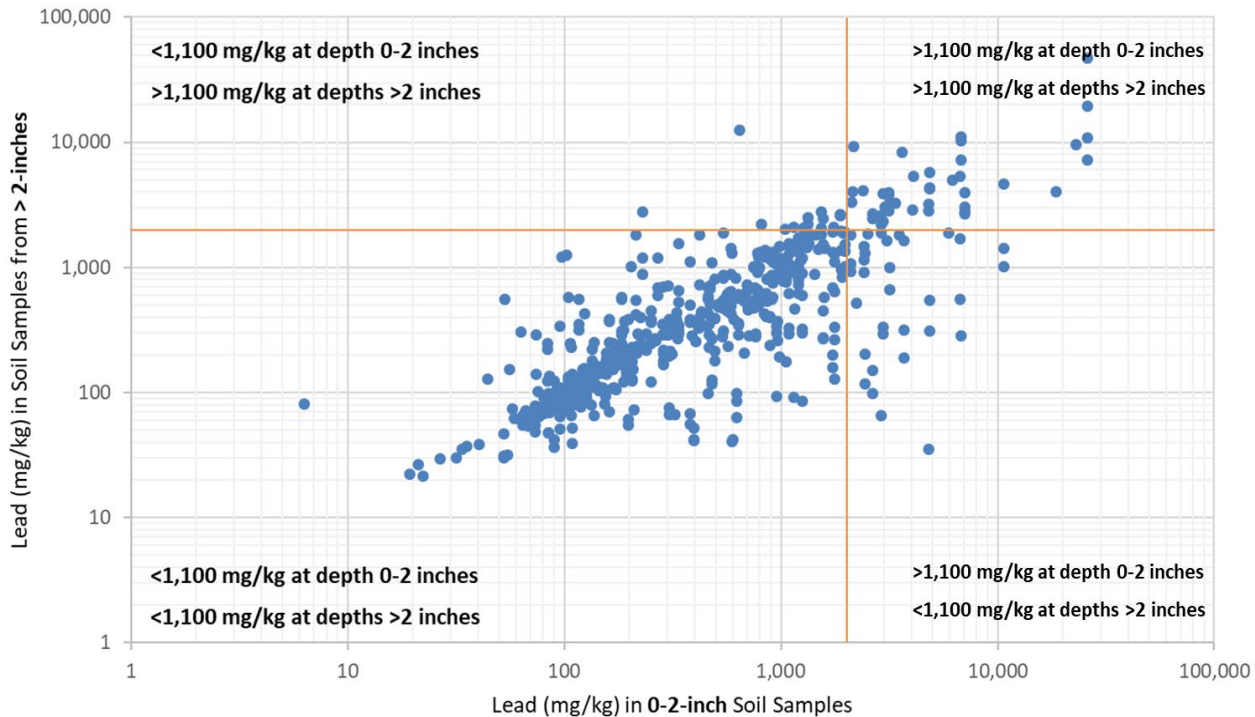
4.5.2.2 KNOWN SOIL-LEAD CONDITIONS

This VCUP Application addresses the presence of lead in soil within the Town of Rico. Table 1 provides a summary of the lead concentrations measured in the top 2 inches of soil during past sampling activities associated with the 2004 VCUP Application. For each of the different parcel types listed, the soil-lead concentrations vary widely.

Table 1 SUMMARY OF SOIL LEAD CONCENTRATIONS (Depth = 0-2 inches) MEASURED IN THE TOWN OF RICO

Parcel Type	Number of Samples	Lead Concentrations (mg/kg) in Samples Collected from Top 2 Inches of Soil			
		Minimum	Maximum	Median	Geometric Mean
Residential - Developed	864	7.8	86,600	640	573
Residential - Undeveloped	941	6.3	70,329	465	513
Non-Residential – Developed and Undeveloped	159	44	11,100	647	648

The spatial distribution of lead in near-surface soil samples (i.e., soil from depths of 0 to 2 inches below the ground surface [bgs]) from the Town of Rico is shown in a map view on Figure 5. The lead concentrations presented in Figure 5 include the lead data available from previous studies as well as soil data collected for the 2004 VCUP project; collectively, these data represent the near-surface distribution of lead before any of the VCUP remediation projects were conducted. As shown in Figure 5, the lead concentrations appear highly variable across the Site, with relatively higher concentrations in the northeast part of Town, especially north of Silver Creek and east of Highway 145. Colluvial and alluvial deposits were shown (AR 2006) to have relatively higher lead concentrations than other natural geologic materials, and these types of deposits are present in the areas of Rico with the highest lead concentrations in soil. Relatively higher lead concentrations also appear in the vicinity of the Pro Patria Mill site, Van Winkle Mine, Grand View Smelter, and some other localized areas west of the highway and north of Mantz Street.



Soil-lead data collected by AR during prior VCUP soil investigations are also useful for evaluating the vertical distribution of lead in soil. Soil samples were collected from more than one depth at 581 different sample locations in the project area. The lead concentrations reported for samples collected at distinct depths are compared on the x-y plot above. Each data point on the plot represents a pair of samples collected at the same location: one sample collected at a depth of 0-2 inches (lead concentration plotted on the y axis) and one collected at a depth greater than 2 inches (lead concentration plotted on the x axis). As shown in the figure, lead concentrations in soil collected from 0-2 inches generally correlate with lead concentrations in deeper soil.

4.5.3 ENVIRONMENTAL SAMPLING METHODS - 2004 VCUP

The rationale and methods for sampling and analysis of soil and other materials during characterization efforts related to the 2004 VCUP Application are summarized below.

Investigation Boundaries – The 2004 VCUP soil investigation was limited to areas within and immediately contiguous to the Town of Rico. Emphasis was given to residential, commercial, public and open space (recreational) parcels in the existing developed portions of Town.

Types of Properties – The Town of Rico official zoning map (Figure 6) identifies a number of different land uses, each of which presents its own considerations for exposure and abatement that was considered in formulating the sampling plan. Sampling of any parcel was subject to obtaining access from the owner. The current zoning in the areas sampled included: Residential, Residential Planned Unit Development (PUD), Commercial, Historic Commercial, Commercial PUD, Mixed Use, and Open Space/Public Facilities.

Soil Sampling Protocols – Soil sampling protocols applicable to properties in currently developed areas (Zone 1) versus areas of potential future development and/or open space/recreational use (Zone 2) and the specific sampling protocols applied to each of the property types previously identified were specified in the Sampling and Analysis Plan (SAP) in Appendix C of the 2004 VCUP Application.

In summary, at each property in currently developed areas (and at any dispersed developed residential or commercial properties that fell outside the Zone 1 boundaries) the property was subdivided into yard areas, and within each yard area soil samples were collected from a depth of 0 to 2 inches at five randomly selected locations at each of up to several sampling sections on each property (i.e., a parcel or contiguous parcels combined under the same ownership). These five samples were composited into a single sample representing the soil in the yard area. Additional samples were collected in driveways, vegetable gardens, and bare play areas on residential parcels, and on properties zoned as open space/public facilities (including playgrounds).

Surface soil in undeveloped areas of potential future development and areas designated for future open space/recreational use contiguous to the current Town limits (i.e., within what is designated as Sampling Zone 2) was also sampled. Approximately one discrete grab sample was collected per 10-acre area. The specific location and density of samples was based upon the availability and quality of previous sampling data (described in Section 4.5.2), geology/geomorphology, and near-term future land use plans.

Approximately 30 discrete-depth sampling locations were selected to characterize lead distribution in soil with depth. Sampling at each location involved collecting 2 composite samples over depth intervals of 2 to 12 inches and 12 to 18 inches.

Additional sampling targeted identifiable mine waste deposits and soils in the Dolores River east overbank corridor, background soil and bedrock, unpaved roads, and locations along the planned sanitary sewer system within the Site (AR 2006). The rationale for these additional sampling efforts can be summarized as follows:

Mine Waste Deposits – Additional data were obtained to confirm that mine waste is visually identifiable and typically has elevated lead concentrations compared to surrounding soil.

Dolores River east overbank corridor - Sampling at and between the historical Pro Patria mill/tailings site and the Columbia Tailings site (including both sampling of discrete, identifiable mine waste as well as semi-random sampling) was performed to more fully characterize lead levels in this area. The higher density of sampling in the east overbank area was undertaken to support decisions regarding cleanup for proposed future open space/recreational use areas.

Background soil and rock – Previous studies indicated that naturally occurring (i.e., background) lead levels in both bedrock and surficial deposits were locally elevated in the Rico Townsite and adjacent areas. These locally elevated lead levels reflect the geologic processes that formed the shallow to outcropping ore bodies in the townsite and subsequent alteration and weathering. The background sampling and associated geologic mapping and mineral speciation analyses were intended to identify soils at the Site with naturally occurring versus mining-impacted

elevated lead levels. This information was used, along with health risk information, to set action levels for cleanup. The sewer background sampling involved sampling at depths up to a maximum of 4 feet.

Unpaved roads - Sampling of surficial soil on unpaved Town streets supported evaluation of the potential for exposure by children playing in the streets in residential neighborhoods characterized by low traffic volumes. These results were also used to assess the potential for recontamination of remediated yards from dust and/or stormwater run on-runoff.

Sanitary sewer system – Subsurface sampling of the sewer system alignment (primarily along streets in Town) was performed to evaluate the potential for encountering elevated lead levels in excavated soil during construction of a sewer system. The sewer system sampling involved sampling to a maximum depth of 4 feet.


Analytical Procedures – All soil samples collected in support of the 2004 Rico Townsite Soils VCUP were dried and sieved through the U.S. Standard No. 10 sieve per standard protocols and analyzed for lead using laboratory-grade x-ray fluorescence (XRF) (AR 2006). A subset of these samples (minimum of 20%) were also submitted for laboratory analysis of lead using inductively coupled plasma (ICP) mass spectrometry to establish a valid correlation between the results of the two methods.

5 APPLICABLE STANDARDS/RISK DETERMINATION

EPA and CDPHE assess the health risk from lead in soil on a site-specific basis and identify lead concentrations that will protect the health of the populations potentially exposed. These “risk-based action levels” are derived by determining the acceptable dose of lead from the soil, and then calculating the soil concentration of lead that will ensure that people do not receive a dose higher than the acceptable dose. Regulatory agencies such as EPA also calculate generic risk-based action levels that are very conservative. The generic risk-based levels are based on much higher exposures than are likely to occur in a community. Regulatory agencies recognize that the factors contributing to exposures for each individual community are variable and should be relied upon to derive site-specific or community-specific action levels.

5.1 RICO TOWNSITE SOILS LEAD HEALTH RISK ASSESSMENT

The primary goal of Rico Townsite VCUP investigations and cleanup actions is to reduce the community’s exposure to lead in soil to levels that are protective of public health. Understanding health risk from metals such as lead in soil first requires an understanding of the potential dose of lead for people who may contact the soil. The potential dose from exposure to lead from soil is then compared to acceptable, health protective exposure doses. People may be exposed to lead in soil by dermal contact, ingestion, or inhalation of lead in dust. Some of the lead in the soil may then be absorbed into their bodies. It is the absorbed dose of lead that is estimated to assess potential health risks.

Potential lead doses in Rico were estimated using methods and assumptions developed by EPA for human health risk assessment, the details of which were provided in the Lead Health Risk Assessment prepared for the Rico Townsite Soils Site (Integral 2006a). The Risk Assessment  concluded that “[w]ith the use of action levels and the Rico blood lead study, . . . the Rico community is not being exposed to unacceptable risk from lead in soil, even where lead in soil in locations around town exceeds the residential or commercial action levels.” Development of the site-specific, risk-based action levels ultimately selected by CDPHE, and approved by EPA, for use at the Site is explained below.

5.2 SITE-SPECIFIC VCUP ACTION LEVELS FOR LEAD IN SOIL

Of primary concern in selecting risk-based action levels is protection of young children, who are defined by risk assessment scientists as children ages six and under. Young children are both the most sensitive to the effects of lead and the most likely to have substantial exposure to soil. Very young children are assumed to spend most of their outdoor time playing in residential yards around homes. Consequently, derivation of appropriate risk-based action levels for residential soil was based on potential exposures for children playing regularly in the soil of the home where they live or spend the day. For areas where children are not likely to regularly play in the soil, exposure estimates for adults were used.

Risk-based lead action levels (LALs) are based on a series of assumptions about exposures. Site-specific exposure assumptions for different land uses and laboratory testing performed to characterize the bioavailability of lead in Rico soil were considered in the development of risk-based action levels for the Rico Townsite Soils VCUP project area. The State selected two risk-based action levels for Rico: an

action level of 1,100 mg/kg for residential yards and an action level of 1,700 mg/kg for commercial sites. These action levels were selected by CDPHE in 2006 and 2007, respectively, and adopted for future VCUP soil remediation. The 1,100 mg/kg action level approved by the State with input provided by EPA for residential soil was intended to be protective for young children, including exposure to soil in their yard and other locations where lead may exist. Similarly, the 1,700 mg/kg action level for commercial sites was intended to be protective for exposures to soil in areas where someone works. AR is working with human health risk assessment professionals, as well as the Town, CDPHE, and EPA, to review these LALs and verify their continued protectiveness in light of recent changes to the underlying risk-based assumptions and scientific model inputs. The finalization of the LALs will be a deliverable under the VCUP and the Town and AR may withdraw from the VCUP if the revised LAL is not acceptable to that party.

The action levels are used to guide the cleanup of soil at properties in Rico, and selection of the applicable action level for any property in the project area is based on the allowed land uses defined by the Town's zoning designations and the Overlay Zone Regulations incorporated into the RLUC ("Overlay Zone Regulations") (included as Appendix E to this Application). The residential action level will guide cleanup of soil at any property where current Town zoning allows residential use. The commercial action level will guide cleanup of soil at any property where zoning prohibits residential use (e.g., Public Facilities).

The Overlay Zone Regulations categorize properties as "Residential Use" and "Non-Residential Use." The residential action level will apply to properties in the "Residential Use" category, which are properties that currently have a residential use and properties that currently have a commercial use but are zoned to allow residential use and could in the future have a residential use. The commercial action level will apply only to properties in the "Non-Residential Use" category, which are properties where zoning prohibits residential use.

5.3 RICO BLOOD LEAD STUDY

Independent of the process used to develop risk-based action levels for Rico soil, AR commissioned a blood lead study to more directly measure lead exposures in the community (Integral 2006b, 2007). For lead, actual exposure can be assessed directly by measuring the amount of lead in the blood. The Rico blood lead study included both children and adults. The study was performed in 2006, prior to AR's completion of many of the yard cleanups. The study was conducted in two phases, during the spring and during late summer when exposure to soil was expected to be greatest due to lack of snow cover and potentially drier soil conditions.

The study conducted in Rico found that residents' blood lead levels were comparable to, though slightly higher than, average blood lead levels nationwide. Blood lead levels for all of the young children (0 to 6 years old) tested were below the Centers for Disease Control and CDPHE level of concern in place at the time of testing (Integral 2007). The findings of the blood lead study supported the conclusion that the risk-based action levels selected by CDPHE are health protective for Rico residents.

5.4 RESIDUAL RISK ANALYSIS

In 2010, AR completed a follow-up evaluation (Integral 2010) to evaluate whether the residual risk for residents living next to non-remediated vacant properties is likely to exceed the risk-based residential action level for the site if reclamation decisions for those existing vacant parcels are deferred until further development takes place on neighboring parcels in the future. Potential exposures to areas along the Dolores River corridor that are visited for recreational purposes (e.g., walking or fishing) were also considered, as were influences of soil on surrounding undeveloped property (i.e., Forest Service land), unpaved streets and alleys, and non-remediated vegetated rights-of-way.

This analysis was accomplished by selecting a subset of properties judged to have the greatest exposure potential and compiling data for lead in surface materials on these properties. A weighted-average concentration for each subject property and adjacent off-property areas was then calculated. The sum of these weighted-average concentrations (i.e., the final weighted-average concentration for each subject property) was then compared to risk-based action levels.

The analysis identified one location in the Town that could pose potential residual risk (Lot 45) due to the presence of mine wastes on the adjacent Forest Service land and in the right-of way for the road adjacent to this lot. In addition, the residual risk assessment indicated that children spending an unusual amount of time (i.e., 50%) on a vacant lot adjacent to two parcels designated as VCUP Lots 35 and 53 could potentially be exposed to weighted average lead concentrations greater than the residential action level.

The Residual Risk Analysis (Integral 2010) also demonstrated that the possible future recreational use of the Dolores River corridor open space areas by Rico residents is not expected to result in unacceptable residual risks due to exposure to lead in soil in that area.

6 CLEANUP PROPOSAL

The 2004 VCUP project involved extensive site characterization and follow-up soil remediation that was conducted over a multi-year period beginning in 2004 and ending in 2015. Figure 10 “Residential Parcel Status (2019)” is a parcel map that indicates the current soil-sampling and soil-remediation status for each individual parcel within the Town boundaries. The following VCUP proposal focuses on completion of the soil sampling and soil remediation tasks initiated by the Applicants in 2004 and subsequent, long-term maintenance of the remediated soil conditions within the VCUP project area.

This cleanup proposal is designed to be implemented in three phases.

Phase 1 addresses the need for (a) soil sampling and analysis at individual properties, as needed to define the scope of remaining soil remediation; (b) soil remediation at developed properties where the soil lead concentration is greater than the LAL and current zoning allows for residential use; (c) soil remediation at developed properties where zoning prohibits residential use (e.g., Public Facilities) and the soil lead concentration is greater than the LAL; and (d) remediation of soil on unpaved roads and alleys where the soil lead concentration is greater than the LAL, including the adjacent Town-owned, unvegetated, right-of-way areas that also have surface-soil lead contents greater than the LAL. Phase 1 will begin following CDPHE’s acceptance of this Application and when the proposed Institutional Controls have been established through the Town of Rico’s adoption of the Overlay Zone Regulations that establish two overlay zoning districts into the RLUC. The anticipated duration of Phase 1 is 3 to 4 years. The separate tasks that will be performed to complete Phase 1 are described in Section 6.1.

Phase 2 is to be initiated upon adoption of the Overlay Zone Regulations, which will establish two new overlay zoning districts – the Rico Soils Overlay Zone District (RSOZ) and the Environmental Remediation Overlay Zone District (EROZ), and related requirements for the management of soil disturbed by excavation or other property-development activities. During Phase 2, AR will establish and implement the VCUP project’s ICs program, which is referred to herein as the “Rico Soils Management Program.” Phase 2 will continue for at least 3 years or until ten (10) previously undeveloped properties have been processed through the VCUP program as part of Phase 2, whichever period is longer. Phase 2 will commence concurrently with Phase 1.

The Town of Rico will for implement the Rico Soils Management Program during **Phase 3**. The Rico Soils Management Program, which will be implemented during both Phases 2 and 3, is described in greater detail in Section 6.2.

Cleanup work conducted during Phases 2 and 3 will be subject to the Overlay Zone Regulations. Property development within the EROZ is not addressed by this VCUP. Under the Overlay Zone Regulations, development within the EROZ will be prohibited unless approved by CDPHE pursuant to the State VCUP program or other written approval from CDPHE. A draft of the proposed Overlay Zone Regulations that defines the new zoning overlay districts and specifies related soil-management requirements is included herein as Appendix E. The draft included in Appendix E is scheduled for a first reading at the Town of Rico Board of Trustees meeting on [], 2021.

The existing Rico Soil Lead Repository will be utilized for disposal of qualifying soil removed from locations within the VCUP project area during Phases 1, 2, and 3. The Rico Soil Lead Repository is operated by AR in accordance with the Certificate of Designation issued by Dolores County (SEH 2004). Section 6.3 of this Application provides additional information about the Rico Soil Lead Repository. If the capacity of the existing Rico Soil Lead Repository is exhausted, AR will, in consultation with the Town, determine how to continue to manage ongoing deliveries of such action-level soils and mine waste in accordance with applicable state and federal law, including expansion of the Soil Lead Repository, construction of a new repository a comparable distance from the Town of Rico as the existing repository, beneficial use of the material, and/or off-site transport and disposal. The Town generally prefers expansion of the existing repository over other options.

6.1 PHASE 1 - SOIL CHARACTERIZATION AND SOIL REMEDIATION

Responsibility for implementing the following Phase 1 tasks is allocated between AR and the Town of Rico in a separate agreement.

- ensuring consistency with past VCUP work;
- community outreach and education;
- soil sampling, and analysis of soil for lead, at the parcels that remain to be sampled in the Town of Rico;
- verification of clean soil cover by re-sampling surface soil at previously remediated properties that have been more recently disturbed by Town-permitted excavation or building activities and five additional properties where the clean soil cover appears undisturbed, with re-sampling locations to be identified by a Town-hired subcontractor;
- soil remediation of developed properties in the Town of Rico with soil-lead concentrations above the applicable action level for the allowed land uses associated with each property, which typically include residential use (for the purpose of the VCUP project, a developed property is an improved property with a structure that is in a condition suitable for commercial or residential use and occupation);
- soil remediation along unpaved road and alley segments where lead concentrations are above the LAL, including the adjacent Town-owned, unvegetated right-of-way areas that also have surface-soil lead contents greater than the LAL;
- operation and maintenance (O&M) of the Rico Soil Lead Repository; and
- data management and record keeping to support the project's Institutional Controls program.

Each of the proposed Phase 1 VCUP tasks is described below. More detailed specifications for soil sampling and analysis and performance of soil remediation during Phase 1 are provided in Appendix D, the 2021 Phase 1 VCUP Work Plan.

6.1.1 CONSISTENCY WITH PAST VCUP WORK

Phase 1 is intended to complete several cleanup tasks that were initiated with the 2004 VCUP Application. As such, the proposed work in Phase 1 adopts the procedures previously used to:

- perform soil sampling at individual parcels (or adjacent parcels under the same ownership) and along unpaved roads and alleys,
- identify parcels, and the areas within parcels, where soil remediation is warranted,
- perform soil removal and replacement where soil lead concentrations are above the applicable, site-specific action level,
- handle and dispose of soil removed from remediated parcels, and
- communicate with property owners and community members.

A high priority for the original (2004) VCUP soil investigation and cleanup efforts was to obtain access to a high percentage of Rico properties for soil sampling and soil remediation. To achieve this goal, the following general communication and coordination protocols were followed to ensure that owners and residents were well informed about the VCUP investigation and cleanup efforts. Similar notification practices and communications with property owners will be adopted for the proposed Phase 1 VCUP tasks.

- Identification of Property Ownership – Using Town and/or County records, a map was prepared identifying ownership of all parcels within the Site boundaries for use in planning of sampling and cleanup activities.
- Notification of Property Owners – General information was provided to all property owners regarding Rico’s mining history; exposure to lead in soil; the role of the Applicants, including the Town, in VCUP activities; the proposed sampling program; possible remedial actions; and the project’s schedule.
- Access Agreements – Signed access agreements were obtained from property owners prior to collection of samples or performance of cleanup activities.
- Notification of Sampling – Property owners were pre-notified of the estimated date and time of sampling.
- Notification of Results – Owners of properties with soil lead above an action level were individually notified of the results for their properties.
- Development of Property-Specific Cleanup Activities – Representatives of the Applicants met with each property owner to discuss the specific cleanup actions for their property. Individual Site Work Plans (ISWPs) were developed to document the cleanup plan designed for each specific property.

- Public Information – The Applicants provided regular progress updates to the community and other interested parties.

6.1.2 COMMUNITY OUTREACH AND EDUCATION

A community outreach program and informational materials will be developed by the Applicants to explain and communicate the purpose of the VCUP soil-sampling and soil-remediation efforts. This information will be made available to targeted property owners and Rico residents using several different approaches:

1. An informational website will be established by the Applicants for the Rico Townsite Soils VCUP Project. The website will provide general information about the objectives of the Rico VCUP project, descriptions of the VCUP soil sampling and remediation activities, explanation of the potential health risks from exposure to lead in soil and ways to reduce exposure to lead (with links to relevant websites for additional public health information), and explanation of the benefits for property owners who participate in the project by granting the Applicants access to their properties for soil sampling and/or remediation work. The address of the project website will be included on mailings to property owners (refer to item 3 below), and the Town of Rico website will also include a direct link to the Rico Townsite Soils VCUP website.
2. “Fact Sheets” summarizing the information on the Rico Townsite Soils VCUP Project website will be made available to local property owners and residents from the Rico Town Manager’s office and at Rico’s Town Library.
3. Informational materials and requests for access will be mailed to the owners of the individual properties identified for soil sampling and/or soil remediation during Phase 1. Requests for property access will be supplemented with phone calls and/or electronic mail, whenever possible, and may be followed up with in-person meetings with owners residing in Rico (refer to 2021 Phase 1 VCUP Work Plan, Appendix D, for additional details regarding requests for property access).
4. In-person information sessions may be organized in Rico to provide property owners and residents an opportunity to address questions or concerns directly to VCUP project representatives.


Community outreach efforts will begin with acceptance of this VCUP Application by CDPHE. Community outreach and education efforts will continue for the duration of the Phase 1 cleanup activities and will be coordinated with similar outreach activities related to the ICs program that is implemented as Phase 2 (refer to Section 6.2.2).

6.1.3 SOIL SAMPLING AND ANALYSIS

Approximately 100 parcels located within the Town boundaries, most of those undeveloped, remain to be sampled in order to characterize lead concentrations in soil. A list of those parcels is attached to this Application (Attachment 4). Locations of the parcels that remain to be sampled are indicated on Figure

11. Attachment 4 does not include the undeveloped parcels in high avalanche areas or flood zones that will not be sampled as part of the initial sampling program in Phase 1. However, if an owner of such a parcel obtains approval to develop the parcel, sampling of the area of the proposed disturbance will occur in accordance with the requirements of the Overlay Zone Regulations.


Proposed soil-characterization tasks that will be completed in Phase 1 include:

- Requesting new or modified access agreements from owners of the parcels where AR plans to collect soil samples.
- Collecting soil samples at parcels where access has been granted to AR.
- Collecting soil samples at previously remediated properties where the clean soil cover may have been more recently disturbed by later excavation or construction activities, and at five additional properties with existing clean soil covers that do not appear disturbed, for quality control purposes, with re-sampling locations to be identified by a Town-hired subcontractor.
- Collecting soil samples on unpaved roads to better define the extent of soil remediation for roads and alleys.
- Collecting soil samples in the vicinity of prior separate VCUPs (e.g., Columbia Mill Site, Van Winkle, Pro Patria) to ensure that areas surrounding former VCUP properties do not have elevated lead levels. 
- Analyzing all soil samples for lead concentration.
- Reporting soil data to property owners and compiling and managing soil data and records of VCUP soil remediation to support the ICs program implemented during Phases 2 and 3 (as explained in Section 6.2).


In addition to soil sampling at the estimated 100 parcels for which soil sampling has not been performed, Phase 1 will also include soil sampling at a number of the properties that were remediated before 2008. The purpose of sampling at these properties is to evaluate whether more recent soil disturbance, by excavations or other property improvement, has reduced or eliminated the clean soil cover that was placed during VCUP soil remediation. The Town of Rico has issued permits for excavations and/or construction projects on some of the previously remediated properties, and those properties have been identified through a review of the building permits issued by the Town from 2008 through 2019. Sixteen previously remediated properties of this type have been identified, and those properties are listed in Attachment 5, and their locations are shown on the parcel map in Figure 12.

For these 16 properties, the Applicants propose to review the location and extent of soil disturbance since 2008 relative to the previously remediated areas of the property, and based on the results of that review, the Applicants (and specifically the Town-hired subcontractor) would identify the properties warranting re-sampling and analysis of soil. For the properties where re-sampling is needed to confirm soil-lead concentrations, soil samples would be collected during Phase 1, provided access agreements

are obtained from the property owners. The re-sampling results would be relied on to decide whether additional soil remediation needs to be performed to improve or replace the soil cover to achieve 12 inches of clean cover over the remediated area. In addition, for quality control purposes, cover soil at five previously remediated properties where the soil cover appears to be undisturbed will be sampled and analyzed for lead concentrations.

Phase 1 will also include soil sampling in the vicinity of prior separate VCUPs (e.g., Columbia Mill Site, Van Winkle, Pro Patria) to ensure that areas surrounding these properties  not have elevated lead levels.


The overall approach and methods to be applied for collection and analysis of soil samples from the parcels sampled in Phase 1 will be consistent with those adopted for the 2004 VCUP (as described in AR 2004b and Section 4.5.3). The 2021 Phase 1 VCUP Work Plan (Appendix D) provides specific field and laboratory procedures for the collection and analysis of soil samples.

 AR will request that property owners grant AR access to their property for the collection of soil samples; those requests will be made during the first 3 years of Phase 1. If an owner does not provide AR with access to the property during Phase 1, the VCUP ICs program (Section 6.2) may later require that the owner collect soil samples for lead analysis in order to receive the necessary permit for proposed development activities under the Overlay Zone Regulations.

6.1.4 SOIL REMEDIATION AT DEVELOPED PROPERTIES

Soil remediation will be performed during Phase 1 at the individual developed properties where soil lead concentrations are greater than the applicable, site-specific action level and for which the property owner provides AR access to the property for that work.

The proposed tasks associated with soil remediation at individual properties during Phase 1 include:

- Requesting and obtaining access for soil remediation from owners of the targeted properties.
- Soil removal and replacement at developed parcels where residential use is allowed, lead in soil  exceeds the LAL, and access for remediation has been provided by the owner.
- Soil removal and replacement at previously remediated, developed parcels where the soil cap has since been disturbed and Phase 1 soil data indicate lead in surface soil exceeds the LAL, and where access for remediation has been provided by the owner. The disturbed and undisturbed areas will be sampled prior to remediation to confirm the area warranting remediation. Based on this confirmation, soil remediation may generally be limited to areas of a parcel that have been affected by the disturbance.
- Soil removal and replacement on unpaved roads and alleys, including the non-vegetated portion of the right-of-way owned by the Town (Section 6.1.5) (including existing ditches present within the right-of-way), where lead in soil exceeds the LAL.

- Soil removal and replacement to address lead-containing soil in the Town-owned right of way adjacent to VCUP lot 45, as identified and recommended through the Residual Risk Analysis (Integral 2010; also refer to Section 5.4).
- Maintenance and operation of the Rico Soil Lead Repository for disposal of soil containing lead above the LAL (refer to Section 6.3), or alternative means for managing deliveries of action-level soils if the capacity of the existing Rico Soil Lead Repository is exhausted.

6.1.4.1 SCOPE OF WORK

Fourteen previously sampled, developed properties (i.e., improved properties where a structure is present and in a condition suitable for commercial or residential use and occupation) with soil lead concentrations greater than the appropriate action level have been identified, to date, for soil remediation during Phase 1; this includes parcels where the current zoning is commercial but residential use is allowed. A list of the previously sampled, developed properties that have already been identified for remediation is attached to this Application (Attachment 6). The locations of these properties are indicated on the parcel map in Figure 13.

Additional properties will be identified for remediation on the basis of the soil-lead data collected during the following Phase 1 soil sampling efforts:

- Soil sampling at the approximately 100 parcels that remain to be sampled (refer to Attachment 4 for a list of the properties that will be sampled during Phase 1).
- Soil sampling at previously remediated properties where soil has since been disturbed by excavations and/or new construction permitted by the Town since 2008. The need for re-remediation of a more recently disturbed property will be verified on a case-by-case basis, as indicated through resampling and reanalysis of soil and other site-specific factors (Section 6.1.3). Previously remediated properties to be re-sampled will be identified by a Town-hired subcontractor.
- Sampling of cover soil at five previously remediated properties where the soil cover appears to be undisturbed for quality control purposes. Previously remediated properties to be re-sampled will be identified by a Town-hired subcontractor.

AR will request that property owners grant AR access to their developed property for soil remediation; those requests will be made during the first 3 years of Phase 1.

Phase 1 soil remediation will be completed during the summer months (roughly June through mid-September) over a 3- to 4-year period. Thereafter, soil remediation (removal/replacement) will be an element of the VCUP ICs program, and properties where remediation is performed will be identified in accordance with the new Overlay Zone Regulations adopted by the Town, as explained in Section 6.2.

6.1.4.2 SOIL REMEDIATION PLAN

Soil remediation during Phase 1 will follow the same basic design as the VCUP soil remediation performed in 2005-2007. In the areas of the parcel where the 0-2-inch soil lead concentrations exceed the applicable action levels, soil will be removed to a depth of approximately 12 inches bgs and then clean soil will be placed to backfill the excavated area and restore the original surface grade. For properties with a total area of less than or equal to 5,000 sq ft, the entire yard area (excluding areas that are paved or covered by structures or other permanent cover materials) will be remediated. For properties larger than 5,000 sq ft, soil remediation will be performed in the yard areas within a 100-foot radius of the primary occupied structure where the action level is exceeded. Before backfilling, a barrier/marker material will be placed at the bottom of the excavation (i.e., typically 12 inches bgs) to mark depth of soil replacement. The excavated soil will be transported to the Rico Soil Lead Repository for disposal.

Before initiating cleanup activities at any individual property, AR will request that the owner provide an access agreement for the work, and AR will develop an Individual Site Work Plan (ISWP) for review by the property owner. The ISWP will include a brief narrative and an annotated map that presents a description of the areas where soil will be removed, the final cover type (e.g., native species, sod, aggregate or rock mulch), a list of features (e.g., trees, shrubs, fences), that will be remain, if any, and steps that will be taken to minimize damage to other features at the property. The map or site-plan drawing will show the property boundaries, key features present in the parcel area, and any features that will be disturbed or modified by soil removal. The ISWP will also identify AR's contractor(s) and key personnel responsible for on-site construction activities, with their contact information. Finally, the ISWP will include photographic documentation of the condition of the property prior to remediation, including structures and any concrete pads, fencing, or other landscaping improvements.

AR will prepare the ISWPs in accordance with the remedial design and construction specifications included in the 2021 Phase 1 VCUP Work Plan (Appendix D). The 2021 Phase 1 VCUP Work Plan also provides geotechnical, nutrient, and lead concentration specifications for the clean soil used to backfill the areas where soil was removed.

6.1.5 REMEDIATION OF ROAD AND ALLEY SEGMENTS

Previous sampling of surface soil on unpaved roads and alleys in the Town of Rico indicates that certain road segments have lead concentrations greater than the LAL. Those segments are the roads and alleys that are targeted for VCUP remediation during Phase 1. Figure 9, "Lead Concentrations in Unpaved Road and Alley Samples 0-2" Depth," indicates lead concentrations in samples collected from the surface materials of roadways and alleys.

Lead concentrations in road surface materials may have changed since the time that some of these samples were collected due to water-line replacement or other utilities and road-maintenance work. To address uncertainty regarding the current lead concentrations on road surfaces in areas disturbed since sampling, the Town of Rico will assist AR in a review of road-disturbing activities since 2004 and, based on this, AR will identify road segments where additional soil characterization is needed to finalize the

scope of work for road remediation. Soil sampling may also be performed during Phase 1 if needed to better define the final scope of work for remediation of unpaved roads and alleys.

Sampling and analysis of soil from unpaved roads will be conducted in accordance with procedures in the 2021 Phase 1 VCUP Work Plan, and the lead concentrations from the additional samples will be considered with older road/alley soil data collected for the VCUP project to identify the final road segments for remediation. A soil sampling and analysis report will be prepared by AR summarizing the results of testing for each of the road segments, including a figure showing areas above the action level.

Road remediation will be timed to take place after the installation of a central sewer system, or five years after the Town and AR execute a Funding Agreement for the VCUP project, if the installation of a central sewer system has not occurred by that time. Road remediation will be focused on unpaved roads within the Town of Rico that experience regular vehicular traffic, such as roads that service the Town's existing residential neighborhoods. The project area does not include former mining-claim access roads, roads currently used only for recreation (mountain biking, hiking, skiing, etc.), or any other roads that do not currently serve developed residential parcels. The Town of Rico will conduct the road-remediation work proposed under this VCUP Application, pursuant to a road remediation work plan.

The proposed road remediation work includes:

- Removal of the top 12 inches of the surface/bedding materials on the road segments with lead concentrations greater than the LAL and replacement with clean road base and gravel surface cover. Within each road/alley segment identified for remediation, the extent of removal and replacement will include the traveled road surface and adjacent, unvegetated, Town-owned right of way.
- The surface of existing drainage features along the remediated road segments will be remediated and, if necessary, replaced in kind to the substantially pre-remediated condition.
- Testing for the lead concentration of the road base materials and gravel used to cover surface materials along the remediated road segments.
- Development of specifications for future surface maintenance of unpaved roads by the Town; specifications will be developed to limit exposure of the materials containing lead that underlie cover materials placed during VCUP remediation.
- Development of procedures that the Town of Rico may use to control dust generated by vehicle traffic along the Town's unpaved roads.



The 2021 Phase 1 VCUP Work Plan (Appendix D) provides additional details regarding the planned Phase 1 roadway sampling and the remediation design for unpaved roads and alleys.

6.1.6 RECORD KEEPING AND DATA MANAGEMENT

The soil sampling and soil remediation records generated during Phase 1 cleanup tasks will be maintained for use by the ICs program that is implemented as Phases 2 and 3 of the proposed cleanup. The records to be maintained include:

- Property-owner access agreements for soil sampling and soil remediation by AR;
- Soil sample collection and analysis records and Soil Sampling Reports provided to property owners;
- ISWPs prepared for each of the remediated properties, including records documenting any changes made during remediation;
- Statements of completion from owners of properties where soil was remediated;
- Photographs and any other documentation of the property condition before and after soil remediation; and
- Property-specific documentation of CDPHE's VCUP determination, as described in Section 6.1.7.

In addition, AR will maintain the existing Rico Townsite Soils VCUP database by incorporating the Phase 1 soil-sample information and results of soil-sample analyses for lead. The database also stores data describing the development status and VCUP sampling and remediation status of each property. The VCUP database will be routinely updated and continuously maintained by AR during the cleanup work to complete Phases 1 and 2. During Phase 3, the Rico Soils Management Program will maintain the database.

6.1.7 COMPLETION OF VCUP ACTIONS, BY PROPERTY

6.1.7.1 SOIL SAMPLING REPORTS AND VCUP NO ACTION DETERMINATIONS (VCUP NADs)

A soil sampling and analysis report will be prepared by AR for each of the sampled properties within the VCUP project area. The sampling and analysis report will be provided to the property owner for their records, and a copy of the report will also be included in the Rico Townsite Soils VCUP records maintained for reference during the ICs program implemented in Phases 2 and 3.

The sampling and analysis report prepared for each property will document the sample locations, depths, and lead concentrations. The report will also include a copy of the access agreement signed by the property owner and by AR's representative, and that agreement will indicate that AR received the property owner's permission to act as their agent under the VCUP to investigate soil conditions on the property and report those results to CDPHE in accordance with requirements of Colorado's VCUP.

For the properties where the lead in soil concentrations were reported less than the LAL, the sampling and analysis report will also be provided by AR to CDPHE with a formal request for a VCUP NAD. Following CDPHE's acceptance of the sampling and analysis report, a request will be submitted to CDPHE for a VCUP NAD for the property. The VCUP NAD will be addressed to AR with a copy to the property

owner and a copy for the property records maintained by the VCUP ICs Program (refer to 2021 Phase 1 VCUP Work Plan for additional details). AR will inform the property owner of the option to record a deed notice (Title Notice) in the Office of the Dolores County Clerk and Recorder that identifies the existence of the Soil Sampling Report and VCUP NAD in property records maintained by the VCUP ICs program (refer to 2021 Phase 1 VCUP Work Plan for additional details regarding the program's record keeping practices).

6.1.7.2 CLEANUP COMPLETION REPORTS AND VCUP NO FURTHER ACTION DETERMINATIONS (VCUP NFAs)

A Cleanup Completion Report will be prepared by AR upon completion of VCUP soil remediation at each property addressed during Phase 1 as well as for each of the properties where soil remediation was performed under the original 2004 VCUP Application (2005-2007 VCUP soil remediation). Each Cleanup Completion Report will document the work performed and demonstrate compliance with all applicable VCUP requirements. The report will include a copy of the soil-remediation access agreement, signed by the property owner and AR, indicating that AR received the property owner's permission to act as their agent under the VCUP in the performance of soil remediation and to request a VCUP NFA from CDPHE. Each Cleanup Completion Report will also include a copy of the ISWP prepared for the property, with any changes to that plan identified, and a statement of completion signed by the property owner and AR's representative. The Cleanup Completion Report will be submitted to CDPHE with a request for a VCUP NFA.

Following CDPHE's acceptance of the Cleanup Completion Report, a request will be submitted to CDPHE for a VCUP NFA for the property. The VCUP NFA will be addressed to the property owner and AR with a copy for the property records maintained by the VCUP ICs Program (refer to 2021 Phase 1 VCUP Work Plan for additional details). AR will inform the property owner of the option to record a deed notice (Title Notice) in the Office of Dolores County Clerk and Recorder to identify the existence of the Cleanup Completion Report and VCUP NFA in property records maintained by the VCUP ICs program (refer to 2021 Phase 1 VCUP Work Plan for additional details regarding the program's record keeping practices). The VCUP NFA will state that future development activities on the property must comply with the Overlay Zone Regulations.

For each of the road and alley segments and ditches remediated under Phase 1, the Town will complete a Cleanup Completion Report. The Town and AR will jointly submit these Cleanup Completion Reports to CDPHE with a request for a VCUP NFA.

6.2 PHASES 2 AND 3 – INSTITUTIONAL CONTROLS

ICs are non-engineered administrative and/or legal controls that either achieve or support attainment of environmental cleanup objectives. ICs will be implemented at this Site to maintain the protectiveness of VCUP soil remediation completed by AR. The Rico Townsite Soils VCUP ICs are designed to ensure appropriate long-term management of lead-containing soil by providing enforceable soil-handling and soil-disposal requirements for future excavations, new construction, and road maintenance and utilities work. The ICs selected for the Site include (1) governmental controls, in the form of new land-use

regulations and a related permitting process for development activities (i.e., the Overlay Zone Regulations), and (2) informational resources such as a soil sampling-and-analysis database, a map-based property-remediation tracking system, and community outreach and education. The proposed governmental controls developed for the Rico Townsite Soils VCUP project include additions to the RLUC, subject to formal adoption by the Town Board of Trustees.

The objectives of the VCUP ICs are to:

- Ensure long-term protection of clean soil covers placed on remediated properties;
- Ensure clean soil covers are placed on properties developed in the future where applicable soil action levels are exceeded;
- Specify requirements for managing and/or remediating soil when soil covers are disturbed during future development activities; and
- Require appropriate handling and disposal of soil with elevated lead concentrations when such soil is removed from a location of potential environmental concern.

The planned elements of the ICs program include:

- The Town of Rico will establish two new overlay zoning districts, the RSOZ and EROZ, in the RLUC.
- The Town of Rico will adopt, administer, and enforce the Overlay Zone Regulations as part of the RLUC to specify soil-management requirements, including permit requirements, for development activities that will disturb soil within the RSOZ and require CDPHE approval for any development activity within the EROZ.
- AR will operate and maintain a local disposal facility, the Rico Soil Lead Repository, for soil originating from the VCUP project area with lead concentrations greater than the LAL.
- AR will establish a source of clean replacement soil that can be used, as needed, to establish a clean soil cover over areas where soil-lead concentrations are greater than the applicable, site-specific action level.
- AR and the Town will engage in community outreach and education.
- AR and the Town will maintain data management systems and record keeping by an electronic database with linked, GIS-based spatial information.

6.2.1 GOVERNMENTAL CONTROLS - OVERLAY ZONE REGULATIONS

The Town will adopt, by a Town ordinance, the Overlay Zone Regulations into the RLUC that establish two overlay zoning districts within the current Town boundaries as defined areas of environmental concern. A draft of the proposed Town ordinance and the Overlay Zone Regulations is provided in

Appendix E for reference. The proposed Overlay Zone Regulations (Appendix E) specify the requirements for soil testing, handling, stockpiling, remediation, and disposal when soil that contains lead above an action level or a soil cover on previously remediated properties is disturbed by excavations, construction, or other development activities. Properties in the EROZ (formerly remediated VCUP mine sites) and properties within the RSOZ (all other properties) are managed differently under the proposed regulations.

The Overlay Zone Regulations will be enforceable by both the Town and CDPHE. Prior to or simultaneously with the Town's adoption of the Overlay Zone Regulations, the Town and CDPHE will enter into an intergovernmental agreement (IGA) pursuant to C.R.S. § 25-15-320(3). The IGA will authorize CDPHE to oversee the Town's implementation of the Overlay Zone Regulations and to enforce the regulations separately.

6.2.1.1 RICO SOILS OVERLAY ZONE (RSOZ)

The RSOZ is defined as the area within the current Town boundaries, excluding the area delineated as the EROZ.

Once the proposed Overlay Zone Regulations have been adopted into the RLUC, the Town will administer and enforce the requirements of those regulations by issuing Soils Excavation Permits for excavation and construction projects that will disturb soil at locations within the RSOZ. Soils Excavation Permits issued for work at properties where VCUP soil remediation was performed will include property-specific requirements for managing and disposing excavated soil and instructions to preserve and/or replace the original clean soil cover in areas of the property where soil-lead concentrations are above the applicable site-specific action level. The RSOZ requirements for soil sampling and analysis, soil remediation by removal and replacement, and disposal of soil with lead concentrations above the LAL are generally consistent with the procedures specified for Phase 1 of the VCUP project (refer to Section 6.1).

6.2.1.2 ENVIRONMENTAL REMEDIATION OVERLAY ZONE (EROZ)

The EROZ covers certain properties within the Town boundaries that have been remediated by AR and other parties pursuant to separate VCUP plans and NFAs approved by CDPHE, or that have been otherwise remediated under the oversight of CDPHE. Development activities within the EROZ which are not covered under this VCUP will be conducted by the landowner entering into a separate VCUP with CDPHE, as specified in the Overlay Zone Regulations. The Town is not responsible for overseeing or managing development in the EROZ, other than directing owners who intend to conduct development activities to CDPHE and enforcing the prohibition in the Town Land Use Code.

6.2.2 RICO SOILS MANAGEMENT PROGRAM

Upon adoption of the Overlay Zone Regulations pertaining to the RSOZ, AR will establish an administrative program, the "Rico Soils Management Program," to assist the Town of Rico in its management and enforcement of the new governmental controls. The Rico Soils Management Program

(the “Program”) will provide qualified personnel, information, and technical resources to ensure that the ICs are effectively implemented.



The primary functions of the Rico Soils Management Program are to:

- **Provide information resources** for community members and for tracking the soil-lead concentrations and soil-cleanup status of individual properties. The Rico Soils Management Program will be tasked with –
 - Preparing and distributing information to community members regarding the potential health risks from lead exposure and how to reduce exposure to lead, requirements associated with the new overlay zone districts, and the rationale for those requirements, and assistance available from the Rico Soils Management Program when applying for a Soils Excavation Permit.
 - Managing and maintaining property-specific soil-testing data, soil-remediation records, and VCUP NADs and NFAs, as available, in a searchable environmental database and Geographic Information System (GIS).
- **Provide technical resources** to assist the Town and community in meeting the requirements of the RSOZ, including –
 - Evaluating soil testing results, as available for individual properties, and any conditions indicating the presence of mine waste, to identify the need for remediation on a property-by-property basis.
 - Preparing soil handling and disposal procedures and soil remediation plans for individual properties and reviewing plans for consistency with VCUP project objectives.
 - Reviewing excavation, soil handling, and soil removal/disposal/replacement plans prepared for utilities installations and maintenance in public and Town right of ways for consistency with VCUP project objectives.
 - Providing technical consultation on excavation, soil handling, and soil removal/disposal/replacement as needed to ensure proper segregation of soils and determine whether soils are eligible for disposal at the Rico Soil Lead Repository.
 - Coordinating with AR, as the owner and operator of the Rico Soil Lead Repository, for disposal of soil with lead concentrations above the LAL.
- **Provide materials** to assist the community in meeting the requirements of the RSOZ, including–
 - Maintaining a clean soil stockpile (includes soil testing to confirm soil-lead concentrations <100 mg/kg) suitable for use in the performance of soil remediation.

- Maintaining a supply of geotextile fabric to be used by the property owner/developer as a marker for soils covers, plastic sheeting, and suitable containers for soil management and transport.

VCUP Phase 2 will start when the Town adopts the Overlay Zone Regulations into the RLUC. During Phase 2, AR will be responsible for implementing the Rico Soils Management Program, in coordination with the Town. AR will implement the program until ten (10) previously undeveloped properties have been processed through the VCUP program or at least 3 years following completion of VCUP Phase 1, whichever is longer, and until the various protocols put in place to manage Program operations have been demonstrated as fully functional.

VCUP Phase 3 will start when the Town of Rico takes over the Rico Soils Management Program when Phase 2 terminates, and the Town will be responsible for operating the Program throughout Phase 3. During Phase 3, AR will provide financial support, in accordance with a legally binding funding agreement, as necessary to the Town to ensure that the Program continues as intended.

Key elements of the proposed Rico Soils Management Program are described separately below.

6.2.2.1 INFORMATION RESOURCES

Community Outreach and Education

The purpose of the community outreach program is to increase awareness of requirements associated with the new overlay zone districts and provide educational information to explain the rationale for those requirements. This program will target property owners, real estate professionals, construction contractors, and real estate developers. The notification methods and education materials will be designed to reach these target groups. A combination of direct and passive outreach methods will be utilized, including:

- Annual mailings for the first 5 years of the Rico Soils Management Program that provide summary information about and instructions for compliance with the overlay zone regulations. These materials will also provide internet addresses for additional information resources provided on the Rico Townsite Soils VCUP Project website (see Section 6.1.2).
- Presentations during public meetings and open information sessions convened by either the Town of Rico and/or the Rico Soils Management Program and advertised to the local community.
- Explanatory materials and forms/checklists to guide users through the steps needed to obtain a Soils Excavation Permit for work within the RSOZ. These materials would be available to download from the Rico Townsite Soils VCUP Project/Rico Soils Management Program website but also in paper copy at the local office for Rico Soils Management Program personnel, the Town Manager's office, and Rico Public Library.

- Answers to Frequently Asked Questions (FAQs) would be available at the Rico Townsite Soils VCUP Project/Rico Soils Management Program website and in hard-copy format from the Town of Rico at the Town Manager's office, Rico Public Library, and a local business office for AR on-site personnel.

Data Management and Record Keeping

The Rico Soils Management Program will maintain an internet-accessible database and map-based user-interface (GIS) for up-to-date, property-specific, soil-sampling results and soil-remediation status. The Program will utilize the same database as maintained by AR during Phase 1 of the VCUP project (refer to Section 6.1.6). VCUP soil and property data compiled prior to the start of Phase 1 for the historical VCUP activities (2004-2015) and data collected, compiled, and maintained during Phase 1 will be included in the database transferred to the Rico Soils Management Program at the end of Phase 1. The database will be maintained by the Rico Soils Management Program through Phases 2 and 3. The Program will periodically update the database's property ownership information using records maintained by Dolores County. Any changes in the Town's zoning classifications and land uses will also be captured in routine updates to the database's property information and GIS layers.

The scope of the property records available through this system will be limited to properties within the RSOZ and the EROZ. For each property in the overlay district, the Program will maintain the following records, as is applicable and relevant for any individual parcel:

- Dated VCUP correspondence with property owner(s), including property access agreements and letters transmitting soil sampling result reports;
- Soil sample-collection records (e.g., location coordinates, sample depth, sample type [composite/grab]) and the results from analyses of the soil samples for lead;
- Soil Sampling Report;
- Individual Site Work Plan(s) prepared to guide soil remediation on a map of the property, including any photographs associated with remediation at the property and records indicating any changes made during construction activities;
- Cleanup Completion Report for VCUP soil remediation;
- Documentation of CDPHE NAD or NFA;
- Soils Excavation Permit application materials and Soils Excavation Permit(s) issued by the Town of Rico;
- The Cleanup Completion Report filed with the Rico Soils Management Program and Cleanup Completion Certification issued by the program upon satisfactory completion of work performed in accordance with a Soils Excavation Permit; and

- Documentation of Town-issued NADs or NFAs, issued pursuant to the Town's Overlay Zone Regulations provide clarity to property owners regarding the ongoing obligations to comply with the Overlay Zone Regulations.

These records will be maintained in electronic format, and they will be hyperlinked to the parcel record in the VCUP project GIS to allow searching and viewing records associated with any individual property. With ongoing updates and maintenance of the database, GIS, and VCUP records, the Rico Soils Management Program will be able to provide soil sampling and analysis results and other information related to VCUP property remediation to current and future property owners (or their authorized representatives).

The 2021 Phase 1 VCUP Work Plan provides additional information about the VCUP database and GIS and maintenance of those systems.

6.2.2.2 TECHNICAL RESOURCES

The Rico Soils Management Program is designed to assist members of the community, including property owners, contractors, and developers, in meeting the various requirements adopted for the RSOZ. The technical resources that the Program would provide during each stage of a development project are explained in the following paragraphs.

Pre-Disturbance Soil Sampling and Analysis

Most of the parcels located in the RSOZ will have already had soil sampling and analysis performed, either during the original VCUP sampling activities or during Phase 1 of the work proposed in this application. The VCUP soil sampling results for any parcel will be available to the parcel's owner from the electronic database maintained by the Rico Soils Management Program.

If development is planned on a property for which VCUP soil lead data are not available, due to a failure of the property owner (past or current owner) to provide AR with access for sampling in the past, then soil sampling will be required. In these cases, the permit applicant will be responsible for collecting the soil samples and submitting them to a laboratory for analysis of lead content. The required soil sample collection and analysis procedures will be consistent with those included the 2021 Phase 1 VCUP Work Plan (Appendix D) as well as any additional relevant requirements included in the RLUC.

Preparation and Review of Soils Excavation Permit Applications

The Rico Soils Management Program will review lead concentrations reported from the pre-disturbance soil samples to determine whether planned development activities are subject to the requirements of the RSOZ. If the property has a VCUP NAD on record or if lead concentrations in samples collected in accordance with the VCUP procedures are all less than the LAL and the Town has issued a Town-specific Residential Confirmation (as defined in the Overlay Zone Regulations), then the overlay district requirements will not apply and a Soils Excavation Permit will not be necessary.

When development activities are planned at properties within the overlay district where either soil lead concentrations are greater than the LAL or VCUP soil remediation was performed in the past, the Town will require an application for a Soils Excavation Permit. The Rico Soils Management Program will be available to assist the permit applicants by identifying the documents and information needed for the permit application and assisting with the Town's review of the application.

Identification, Handling, and Disposal of Mine Waste

Mine wastes are distinct in color and texture from the surrounding soil, and they may be present at the ground surface or within shallow subsurface soil at various locations in Rico. When mine waste is suspected at a property and a Soils Excavation Permit has been issued, the Rico Soils Management Program can confirm the presence or absence of such material through a visual inspection.

In accordance with the Overlay Zone Regulations that pertain to the RSOZ, when mine waste is confirmed present, any mine waste removed from a depth of 0 to 12 inches bgs and excess mine waste that cannot be returned to the planned excavation (as defined in a Soils Excavation Permit) below 12 inches as backfill will be eligible for disposal in the Rico Soil Lead Repository.

Soil Management and Soil Remediation

Applicants for Soils Excavation Permits will need to prepare and provide plans for soil management and possible soil remediation activities for review by the Rico Soils Management Program and Town. Depending on the soil characteristics at the subject property and the scope of the proposed work, a soil management plan and/or an ISWP will be prepared. Both the soil management plan and the ISWP are property-specific planning documents that explain how the applicant intends to comply with RLUC requirements for the RSOZ. The purpose of a soil management plan is to identify how soil disturbed by the permitted project will be stockpiled and managed on site. The Overlay Zone Regulations will specify certain required practices for development activities in the RSOZ, and the soil management plan will be consistent with those practices. The purpose of an ISWP is to clearly identify where soil with lead concentrations above the applicable action level are to be excavated, stored, and disposed and where clean soil cover material will be used to limit people's exposure to lead once the permitted project has been completed. The soil management plan and ISWP should be integrated into the same document.

In cases where soil-lead concentrations are above the applicable action level, a 12-inch-thick cover of clean soil will be placed over that soil during final regrading of the site. Placement of soil covers will follow procedures consistent with those used during Phase 1 soil remediation. A barrier/marker material would be placed at a depth of 12 inches and 12 inches of clean soil would be placed directly over that barrier/marker. The clean soil and barrier material would be supplied by the Rico Soils Management Program, if requested by the permit holder.

Analyses of Excess Soil Before Disposal

Excess soil typically remains following excavation and backfilling. The Overlay Zone Regulations specify how excess soil is to be disposed when the total volume exceeds 1 cy and the soil-lead concentration is

greater than the LAL. In accordance with the regulations, soil containing lead at concentrations above 1,100 mg/kg that has been removed from a depth of 0 to 12 inches bgs can be transported to the Rico Soil Lead Repository for disposal. Additional soil excavated from depths greater than 12 inches is to be returned to the excavation, if possible, and then covered with 12 inches of clean soil. If the permitted project generates more than 3 cubic yards of excess soil from depths greater than 12 inches bgs that cannot be used for backfill at depth, that soil must be tested for lead concentration before transport to the repository for disposal. The excess soil will be allowed at the Rico Soil Lead Repository only if an analysis of representative samples from the stockpile indicates lead concentrations greater than the LAL. If the excess soil that cannot be used for backfill is 3 cubic yards or less in volume, it may be disposed of at the repository without testing.

The Rico Soils Management Program will assist with soil testing to determine appropriate disposal options. The Program will provide field XRF analysis of lead in representative samples from a soil stockpile or excavation area and report those results to the permit holder.

Preparation and Transport of Excavated Soil for Disposal in Repository

The Rico Soils Management Program will not provide transport of excavated soil to the repository, but it will support sampling and analysis of soil to confirm its soil lead content, if needed, and oversee loading of soil at locations of soil excavation and unloading of soil at the repository. Only soil with lead concentration >the LAL and mine wastes qualify for disposal at the repository. Lead concentration must be confirmed by sampling and analysis in accordance with the Overlay Zone Regulations if the volume of soil exceeds that excavated to install the 12-inch soil cover, and mine wastes must be confirmed by the Rico Soils Management Program before transport to the repository. Disposal of materials other than soil will not be allowed at the repository, and such materials (e.g., tree roots, large boulders, trash) should not be loaded onto vehicles transporting soil to the repository.

Cleanup Completion Reports

At the completion of the permitted scope of work, a Cleanup Completion Report will be prepared to document that soil management and/or soil remediation specified in the permit application was performed and to record soil-lead conditions existing at the end of the project. The Town will issue a Cleanup Completion Certification when the soil management and/or soil remediation has been adequately performed. The Report and Certification will become part of the property record maintained by the Rico Soils Management Program for future reference.

6.2.2.3 CLEAN SOIL SUPPLY

The Rico Soils Management Program will be responsible for maintaining a local supply of soil that can be used as clean soil cover at locations where soil-lead concentrations are greater than the applicable site-specific action level. The clean soil supply will be material suitable for revegetation. Detailed geotechnical, nutrient, and lead-content specifications for the clean soil supply are presented in the 2021 Phase 1 VCUP Work Plan (Appendix D). The Program will arrange for testing of the clean soil

supply, as needed to demonstrate that it meets the specifications included in the 2021 Phase 1 VCUP Work Plan.

The Program will also be responsible for arranging the transport of clean soil to a secure stockpile location within or proximal to the Town of Rico. The clean-soil stockpile will serve as supply for property owners and their contractors when a clean soil cover is specified in an ISWP prepared and submitted with applications for Soils Excavation Permits. In such cases, the Rico Soils Management Program will provide access to the stockpile for loading and transport of clean soil to the subject property.

6.2.3 TOWN MAINTENANCE OF REMEDIATED ROAD SEGMENTS

The Town will plan, manage, and perform all road and alley maintenance along the segments remediated during Phase 1. The Town will perform the work in accordance with the materials and construction specifications prepared for the Town by AR during Phase 1 (refer to Section 6.1.5). AR will provide financial support to the Town for maintaining road and alley segments remediated in Phase 1, but AR will not have other involvement in the Town's management, contracting, or performance of remediated roadway and alley maintenance.

6.3 RICO SOIL LEAD REPOSITORY OPERATIONS, MAINTENANCE, AND CLOSURE

Throughout the VCUP project (i.e., Phases 1, 2, and 3) AR will operate and maintain the Rico Soil Lead Repository to provide an appropriate location for disposal of soil with lead concentrations above the LAL. AR holds a Certificate of Designation issued by Dolores County for operation of the repository, and the Certificate of Designation permits soil removed from locations within the Town of Rico to be disposed in the repository. As the owner and operator of the repository, AR accepts soil for disposal when the soil-lead concentration is greater than the LAL and that soil has been excavated within the Town of Rico.

The 2004 Engineering Design and Operations Report (SEH 2004) identifies AR's operations and maintenance tasks, which include:

- Controlling access to the repository to prevent vehicular traffic over disposed soil.
- Designing, constructing, and maintaining any drainage controls needed to limit erosion and transport of disposed soil from the repository via surface runoff.

These tasks are currently performed by AR, as needed, and AR will continue routine operations and necessary maintenance tasks for as long as the Rico Soil Lead Repository supports the Rico Soils Management Program.

When the repository is no longer needed or reaches its capacity, AR will complete the closure activities required by the Certificate of Designation, including placement of a permanent cover consisting of an infiltration layer and growth media. The repository closure plan is presented in greater detail in the 2004 Engineering Design and Operations Report (SEH 2004).

After completing soil sampling and analysis in Phase 1 of the VCUP, AR shall provide Town with an estimate of the remaining capacity in the Repository and whether that capacity is sufficient to accept reasonably anticipated volumes of soil with lead concentration greater than the LAL. If the capacity of the existing Rico Soil Lead Repository is exhausted, AR will, in consultation with the Town, determine how to continue to manage ongoing deliveries of such action-level soils and mine waste in accordance with applicable state and federal law, including expansion of the Soil Lead Repository, construction of a new repository a comparable distance from the Town of Rico as the existing repository, beneficial use of the material, and/or off-site transport and disposal. The Town generally prefers expansion of the existing repository over other options.



7 SCHEDULE FOR COMPLETION OF VCUP ACTIVITIES

The planned duration of the proposed Rico Townsite Soils VCUP is longer than 2 years. The Applicants are requesting that CDPHE grant a 15-year extension to allow for completion of the proposed cleanup through Phases 1 and 2. The VCUP ICs program operating in Phase 3 would provide continued, long-term maintenance of the cleanup work performed during Phases 1 and 2.

Table 2 indicates the projected schedule for Phase 1. The Phase 1 field activities (i.e., soil sampling, verification XRF screening, soil remediation, soil disposal at repository) will be scheduled during summer months, and the rate at which field activities can safely proceed will depend in part on factors that are beyond the Applicants' control. The Town of Rico sits at an elevation of approximately 8,800 feet, and the field season in Rico is short (early June through mid-October) with highly variable weather conditions. In addition, on-site soil sampling and remediation activities are contingent on obtaining written access agreements from property owners, and the process of obtaining access agreements may delay work at some properties. Given these potential scheduling issues, the projected timelines for field work are in Table 2 extending over one or more years.

TABLE 2 PROJECTED SCHEDULE¹ FOR VCUP PHASE 1

ITEM	DATE
Submit 2021VCUP Application	2nd Quarter 2021
VCUP Application Approval by CDPHE	60 days from submittal
Obtain Access Agreements	3 rd Quarter 2021 through 3 rd Quarter 2024 (3 years)
Town adopts Overlay Zone Regulations	3 rd Quarter 2021
Soil Sampling and Analysis for Lead	2021 - 2023 (2-3 summers)
Remediation of Developed Parcels	2022 - 2024 (2-3 summers)
Remediation of Unpaved Road Segments	2022 - 2024 (2 summers)
Prepare sampling and analysis reports and request No Action determinations, by property	2021 - 2024
Prepare Cleanup Completion Reports and request No Further Action determinations, by property	2021 - 2024

¹ This schedule is based on the assumption that the VCUP Application will be accepted and work can begin during the summer of 2021.

The anticipated schedule for implementing Phases 2 and 3 is presented in Table 3. Phase 2 begins at the same time as Phase 1 but will extend for at least 3 years after completion of Phase 1 and will continue until at least ten (10) previously undeveloped properties have been processed through the VCUP program as part of Phase 2, whichever time period is longer. As such, the anticipated duration of Phase 2 is at least 7 years. At the end of Phase 2, AR would transfer the management responsibilities associated with the Rico Soils Management Program to the Town. This transfer will take place when AR


and the  Town agree that the management tools and other resources that the Town will need are in place and have been tested and optimized to achieve an effective and efficient Program for the Town's operation.

TABLE 3 ANTICIPATED SCHEDULE¹ FOR INSTITUTIONAL CONTROLS PROGRAM – VCUP PHASES 2 AND 3

ITEM	DATE
Submit 2021 VCUP Application	2 nd Quarter 2021
VCUP Application Approval by CDPHE	60 days from submittal
Town adopts Overlay Zone Regulations	3 rd Quarter 2021
Start of VCUP Phase 2 - Rico Soils Management Program implementation by Atlantic Richfield	Upon Town's adoption of the Overlay Zone Regulations (expected in 3 rd Quarter 2021).
End of VCUP Phase 2 and Start of VCUP Phase 3 - Rico Soils Management Program implementation by Town of Rico	No less than 3 years after the start of Phase 2 or no sooner than 10 previously properties have been remediated during Phase 2, whichever is longer, at a time to be agreed upon by AR and Town of Rico.

¹ This schedule is based on the assumption that the VCUP Application will be accepted and work can begin during the summer of 2021.



8 REFERENCES

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FIGURES

FIGURE 1	RICO TOWNSITE LOCATION MAP
FIGURE 2	TOWN OF RICO BOUNDARY AND PARCELS (JANUARY 2020)
FIGURE 3	PREVIOUSLY SAMPLED AND REMEDIATED PARCELS
FIGURE 4	TOWN OF RICO SITE BOUNDARY AND PROPERTY OWNERSHIP (MARCH 2018)
FIGURE 5	PRE-REMEDIATION SPATIAL DISTRIBUTION OF LEAD IN SOIL (0-2 INCHES)
FIGURE 6	TOWN OF RICO ZONING MAP (ADOPTED AUGUST 31, 1999)
FIGURE 7	LOCATION AND SIZE OF SITE WITH TOWNSHIP AND RANGE
FIGURE 8	HISTORICAL MINES AND SMELTERS IN THE TOWN OF RICO
FIGURE 9	LEAD CONCENTRATIONS IN UNPAVED ROAD AND ALLEY SAMPLES 0-2" DEPTH
FIGURE 10	VCUP PROJECT REMEDIATION STATUS (2019)
FIGURE 11	PROPERTIES TO BE SAMPLED
FIGURE 12	SAMPLED AND DEVELOPED PROPERTIES WITH LEAD > 1,100 MG/KG
FIGURE 13	REMEDIATED PROPERTIES POTENTIALLY DISTURBED SINCE REMEDIATION

ATTACHMENTS 1-6

- Attachment 1** Previously Sampled Properties
- Attachment 2** Previously Remediated Properties
- Attachment 3** Town of Rico Property Ownership
- Attachment 4** Properties Identified for Soil Sampling During Phase 1
- Attachment 5** VCUP Remediated Properties Identified for Re-Sampling Due to Recent Soil Disturbance
- Attachment 6** Developed Properties Identified for Soil Remediation During Phase 1 (Preliminary)

APPENDIX A – COLORADO VCUP CHECKLIST

VOLUNTARY CLEANUP AND REDEVELOPMENT ACT CHECKLIST

INFORMATION REQUIRED	SECTION
I. GENERAL INFORMATION	2
Name and address of owner	2.1
Contact person and phone number	2.2
Location of property	2.3
Type and source of contamination	2.4
Voluntary Cleanup (VC) or No Action Determination (NAD)	2.5
Current Land Use	2.6
Proposed Land Use	2.6
II. PROGRAM INCLUSION	3
Is the applicant the owner of the property for the submitted VC? The Voluntary Clean-up Program requires owner/designated representative to complete the submittal.	3
Is the property submitted for the VC the subject of corrective action under orders or agreements issued pursuant to provisions of Part 3 of Article 15 of this Title or the federal RCRA 1976 as amended? The Voluntary Clean-up Program requires details of a RCRA corrective action for an eligibility determination.	3
Is the property submitted for the VC subject to an order issued by or an agreement with the Water Quality Control Division pursuant to Part 6 of Article 8 of this Title? If Water Quality has issued a permit, the applicant is ineligible.	3
Is the property submitted for the VC a facility that has or should have a permit or interim status pursuant to Part 3 of Article 15 of this Title for treatment, storage or disposal of hazardous waste? For the Voluntary Clean-up Program, details of permits or interim status are necessary for an eligibility determination. Based on the site specifics of the permitted facility, the applicant may qualify for the program.	3
Is the property submitted for the VC subject to the provisions of Part 5 of Article 20 of Title 8 (Underground Storage Tanks) CRS or of Article 18 of this Title (RCRA)? For the Voluntary Clean-up Program details of Underground Storage Tank or RCRA requirements are necessary to make an evaluation. In some cases (e.g., tanks were removed prior to 12/22/88), the applicant may be eligible for the program.	3
Is the property submitted for the VC listed or proposed for listing on the National Priorities List of Superfund sites established under the federal act (CERCLA)? For the Voluntary Clean-up Program, details of CERCLA action are necessary to make an evaluation. In some cases, the applicant may not be eligible for the program.	3
III. ENVIRONMENTAL ASSESSMENT	4
Qualified environmental professionals must submit environmental assessments. The applicant must submit documentation, in the form of a statement of qualifications or resume.	Appendix B

INFORMATION REQUIRED	SECTION
The applicant should provide the address and legal description of the site and a map of appropriate scale identifying the locations and size of the property.	4.1
The applicant should describe the operational history of the property in detail, including the most current use of the property.	4.2
A description of all business/activities that occupy or occupied the site as far back as record/knowledge allows.	4.2
A brief description of all operations that may have resulted in the release of hazardous substances or petroleum products at the site, both past and present, including the dates activities occurred at the property and dates during which the contaminants were released into the environment. For the Voluntary Clean-up Program, the exact dates and quantities of activities, releases, etc., of hazardous substances or petroleum products are necessary for an evaluation of eligibility.	4.2
A list of all site-specific notifications made as a result of any management activities of hazardous substances conducted at the site, including any and all Environmental Protection Agency ID numbers obtained for management of hazardous substances at the site from either the state or the Environmental Protection Agency is necessary for a Voluntary Clean-up Program evaluation. <i>Not Applicable - No such activities have been conducted by the Applicants relative to potential sources of lead in soil in the Town of Rico.</i>	NA
A list of all notifications to county emergency response personnel for the storage of reportable quantities of hazardous substances required under Emergency Planning and Community Right-to-Know statutes is necessary for a Voluntary Clean-up Program evaluation. <i>Not Applicable - No such notifications have been made by the Applicants relative to possible sources of lead in soil in the Town of Rico.</i>	NA
A list of all notifications made to state and/or federal agencies, such as reporting of spills and/or accidental releases, including notifications to the State Oil Inspection Section (OIS) required under 8-20-506 and 507 and 25- 18-104 CRS 1989 as amended and 6 CCR 1007-5 subpart 280.50 Part 3 of the OIS regulations, etc. <i>Not Applicable - No such notifications have been made by the Applicants relative to possible sources of lead in soil in the Town of Rico.</i>	NA
A list of all known hazardous substances used at the site with volume estimates and discussion of relative toxicities. The hazardous substances used, volumes and toxicities are important for a VC in the overall evaluation of risk and sampling efforts. <i>Not Applicable - There is no current use of hazardous substances known to the Applicants.</i>	NA
A list of all wastes generated by current activities conducted at the site and manifests for shipment of hazardous wastes off site. The manifest information is important for a VC evaluation, as in the above item. <i>Not Applicable - There are no current activities generating wastes at the site related to lead.</i>	NA
A list of all permits obtained from state or federal agencies required as a result of activities conducted at the site. These are important for the Voluntary Clean-up Program so the Department can evaluate what potential sources may be at the site. <i>Not Applicable - Due to the historical nature of past mining activities, no state or federal permits were required related to mining and processing activities that occurred in and around the Town of Rico.</i>	NA

INFORMATION REQUIRED	SECTION
A brief description of the current land uses, zoning and zoning restrictions of all areas contiguous to the site.	2.6 and Figure 6
The applicant shall describe the physical characteristics of the site, including a map to scale, and an accompanying narrative showing and describing the following, utilizing historic knowledge as well as current data:	4.4
<ul style="list-style-type: none"> Topography 	4.4.1
<ul style="list-style-type: none"> All surface water bodies and waste water discharge points 	4.4.2
<ul style="list-style-type: none"> Ground water monitoring and supply wells 	4.4.3
<ul style="list-style-type: none"> Facility process units and loading docks <i>Not Applicable to this Rico Townsite Lead VCUP Application.</i> 	NA
<ul style="list-style-type: none"> Chemical and/or fuel transfer and pumping stations <i>Not Applicable to this Rico Townsite Lead VCUP Application.</i> 	NA
<ul style="list-style-type: none"> Railroad tracks and rail car loading areas <i>Not Applicable – There are no railroad tracks within the Town of Rico.</i> 	NA
<ul style="list-style-type: none"> Spill collection sumps and/or drainage collection areas <i>Not Applicable - Drainage collection in the Town of Rico has not been documented. Overland flow is toward the Dolores River and Silver Creek, both of which flow continuously year-round.</i> 	NA
Wastewater treatment units <i>Not Applicable - Currently, no centralized wastewater treatment is available in Rico, and individual disposal systems (septic/leach field) are used to treat wastewater. For all new development in the project area, the Town requires compliance with the State of Colorado individual sewage disposal systems rules. Town has prepared a Waste Water Treatment Study, a Preliminary Engineering Report for centralized waste water treatment, and various financing applications for state and federal funding. In November of 2000 the Rico voters approved a 3.939 % property tax increase to be dedicated for the construction, design and operation of a wastewater treatment system. Federal grant money for construction has been obtained, but there is no formal plan or schedule for construction of wastewater treatment facilities at this time.</i>	NA
<ul style="list-style-type: none"> Surface and storm water runoff retention ponds and discharge points <i>Not Applicable - No retention ponds exist within the Town of Rico.</i> 	NA
<ul style="list-style-type: none"> Building drainage or wastewater discharge points <i>Not Applicable - Information is not available regarding building drainage. There is no centralized wastewater treatment in the Town of Rico, therefore there is no centralized wastewater discharge point.</i> 	NA
<ul style="list-style-type: none"> All above or below ground storage tanks <i>Not Applicable - Storage tanks are not relevant to the soil lead VCUP.</i> 	NA
<ul style="list-style-type: none"> Underground or above ground piping <i>Not Applicable - The only known underground or above ground piping would be associated with known tanks and would be localized to the immediate vicinity of the tank system.</i> 	NA

INFORMATION REQUIRED	SECTION
<ul style="list-style-type: none"> Air emission control scrubber unit <i>Not Applicable - No air emission control scrubber units exist within the Town of Rico.</i> 	NA
<ul style="list-style-type: none"> Water cooling systems or refrigeration units <i>Not Applicable - The Town of Rico has no water-cooling systems or refrigeration units that would affect the presence of lead in soil.</i> 	NA
<ul style="list-style-type: none"> Sewer lines <i>Not Applicable - The Town of Rico does not presently have a centralized sewer system. Future plans include the construction of such a system, however.</i> 	NA
<ul style="list-style-type: none"> French drain system <i>Not Applicable - No French drain systems are known to exist in the Town of Rico.</i> 	NA
<ul style="list-style-type: none"> Water recovery sumps and building foundations <i>Not Applicable - No water recovery sumps or building foundation drains are known to exist that would affect the presence or distribution of lead in soils in the Town of Rico.</i> 	NA
<ul style="list-style-type: none"> Surface impoundments <i>Not Applicable - No surface impoundments exist within the Town of Rico.</i> 	NA
<ul style="list-style-type: none"> Waste storage and/or disposal areas/pits, landfills <i>Within the Town of Rico, there are several mine sites that have been addressed under separate VCUP applications, including the Columbia/Old Pro Patria Mill tailings, Silver Swan Mine, Grand View Smelter, and Santa Cruz Mine.</i> 	4.3
<ul style="list-style-type: none"> Chemical or product storage areas <i>Not Applicable - Other than fuel storage, no significant chemical or product storage areas are known to be present in the Town of Rico.</i> 	NA
<ul style="list-style-type: none"> Leach fields <i>In addition to leach fields associated with sanitary septic systems, a septic tank and leach line have been identified at the Assay Building in Rico. This building is located on the east side of Glasgow Avenue, north of the Burley and theater buildings. This building was previously a laboratory used to determine the mineral content of ores. Wastewater generated at the Assay Building was discharged to an individual septic system.</i> 	NA
<ul style="list-style-type: none"> Dry wells or waste disposal sumps <i>Not Applicable - The Applicants are not aware of any dry wells or waste disposal sumps that would affect lead in soils in the Town of Rico.</i> 	NA

If ground water contamination exists or the release has the potential to impact ground water, the applicant should provide the following information for areas within a one-half mile radius of the site:

<ul style="list-style-type: none"> The state engineer's office listing of all wells within one-half mile radius of the site, together with a map to scale showing the locations of these wells. 	4.4.3
<ul style="list-style-type: none"> Documentation of due diligence in verifying the presence or absence of unregistered wells supplying ground water for domestic use, when the potential for such wells is deemed likely as in older residential neighborhoods, or in rural areas. 	4.4.3

INFORMATION REQUIRED	SECTION
<i>There are no known unregistered wells within the Town of Rico, as described in Section 4.4.3.</i>	
<ul style="list-style-type: none"> A statement about each well within the half-mile radius of the site, stating whether the well is used as a water supply well or ground water monitoring well. 	4.4.3
<ul style="list-style-type: none"> Lithologic logs for all on-site wells; copies of field log notes may be appropriate. <i>There are no known groundwater wells within the Town of Rico.</i>	NA
<ul style="list-style-type: none"> Well construction diagrams for all on-site wells showing screened interval, casing type and construction details including gravel pack, interval, bentonite seal thickness and cemented interval. <i>There are no known groundwater wells within the Town of Rico.</i>	NA
<ul style="list-style-type: none"> Description of the current and proposed use of on-site ground water in sufficient detail to evaluate human health and environmental risk pathways. In addition, the applicant will provide a discussion of any state and/or local laws that restrict the use of onsite ground water. <i>Not Applicable – There are no known groundwater wells within the Town of Rico. Groundwater use within the Town of Rico is not restricted. However, there is no current or proposed use of ground water in the Town of Rico, therefore this pathway is not considered further in this application.</i>	NA
The applicant should provide information concerning the nature and extent of any contamination and releases of hazardous substances or petroleum products that have occurred at the site, including but not limited to:	4.5
<ul style="list-style-type: none"> Identification of the chemical nature and extent, both onsite and offsite, of contamination that has been released into soil, ground water or surface water at the property, and/or releases of substances from each of the source areas identified, including estimated volumes and concentrations of substances discharged at each area, discharge point, or leakage point as per Section 25.16.308(2)(b). Although Phase II assessments identify the nature of contamination, the extent is not always fully defined. For Voluntary Clean-up Program purposes, the source, nature, extent and estimated volumes of the release are important in the overall evaluation of risk and eligibility. 	4.5
<ul style="list-style-type: none"> A map to scale showing the depth to ground water across the site, direction and rate of ground water movement across the site using a minimum of three measuring points. <i>No groundwater monitoring or water supply wells are known to exist within the Town of Rico. Therefore, no data are available to prepare a map showing the depth to groundwater or the direction and rate of groundwater movement.</i>	4.5.1
<ul style="list-style-type: none"> A discussion of all hydraulic tests performed at the site to characterize the hydrogeologic properties of any aquifers onsite and in the area. <i>No hydraulic tests are known to have been performed within the Town of Rico.</i>	4.5.1
<ul style="list-style-type: none"> All reports and/or correspondence, which detail site soil, ground water and/or surface water conditions at the site, including analytical laboratory reports for all samples and analyses. 	4.5.1 4.5.2

INFORMATION REQUIRED	SECTION
<ul style="list-style-type: none"> A discussion of how all environmental samples were collected, including rationale involved in sampling locations, parameters and methodology, a description of sampling locations, sampling methodology and analytical methodology and information on well construction details and lithologic logs. All sample analyses performed and presented as part of the environmental assessment should be appropriate and sufficient to fully characterize all constituents of all contamination that may have impacted soil, air, surface water and/or ground water on the property. The applicant should use Environmental Protection Agency approved analytical methods when characterizing the soil, air, surface water and/or ground water. 	4.5.3
IV. APPLICABLE STANDARDS/RISK DETERMINATION	5
The applicant should provide a description of any applicable standards/guidance (federal, state, or other) establishing acceptable concentrations of constituents in soils, surface water, or ground water, for the proposed land use.	5.2
The applicant should provide a description of the human and environmental exposure to contamination at the site based on the property's current use and any future use proposed by the property owner, including:	5.1
<ul style="list-style-type: none"> A table or list for site contaminants indicating which media are contaminated and the estimated vertical and areal extent of contamination in each medium. 	Integral (2006a)
<ul style="list-style-type: none"> A table or list of site contaminants, indicating the maximum concentrations of each contaminant detected onsite in the area where contaminant was discharged to the environment, and/or where the worst effects of the discharge are believed to exist. The Voluntary Clean-up Program requests this item so that an understanding of the source and nature of the contaminants can be made as it relates to risk. 	Section 4.5 and Table 1
<ul style="list-style-type: none"> A table or list for site contaminants indicating whether the contaminant has a promulgated state standard, the promulgated standard and the medium the standard applies to. A comparison of the site contaminants with state standards is important to evaluate whether the remedy will meet risk-based clean-up objectives. 	5.1
<ul style="list-style-type: none"> A description and list of potential human and/or environmental exposure pathways pertinent to the present use of the property. The VC will use risk as part of the overall evaluation. 	Integral (2006a)
<ul style="list-style-type: none"> A list and map defining all source areas, areas of contamination or contaminant discharge areas. The Voluntary Clean-up Program requires that these areas be defined to indicate the proximity of contaminant with respect to receptors and sampling efforts. 	Integral (2006a)
<ul style="list-style-type: none"> A discussion of contaminant mobilities, including estimates of contaminants to be transported by wind, volatilization, or dissolution in water. For those contaminants that are determined to be mobile and have the potential to migrate and contaminate the underlying ground water resources, the applicant should also evaluate the leach ability/mobility of the contaminants. This evaluation should consider, but not be limited to the following: leachability/mobility of the contamination, health-based ground water standards for the contamination; geological characteristics of the vadose zone that would enhance or restrict contaminant migration to ground water, including but not limited to grain size, fractures and carbon content; and depth to ground water. This evaluation, and any supporting documentation, should be included in the plan 	Integral (2006a)

INFORMATION REQUIRED	SECTION
submitted. The Voluntary Clean-up Program will evaluate the risk involved with the proposed clean-up in order to evaluate the application.	
The applicant should then provide, using the information contained in the application, a risk-based analysis of all exposure pathways, which details how the proposed remediation will obtain acceptable risk levels. The Voluntary Clean-up Program requires this analysis to show that the remediation proposal will attain an acceptable risk or break pathways.	Integral (2006a)
The Voluntary Clean-up Program includes remediation. The following are the requirements for the clean-up proposal. <i>The Cleanup Proposal is included in Section 6 of this VCUP Application. Additional details are provided in Appendix D, VCUP Work Plan.</i>	6 and Appendix D
<ul style="list-style-type: none"> A detailed description of the remediation alternative, or alternatives selected, which will be used to remove or stabilize contamination released into the environment or threatened to be released into the environment. 	6 and Appendix D
<ul style="list-style-type: none"> A map identifying areas to be remediated, the area where the remediation system will be located if it differs from the contaminated areas, the locations of confirmation samples, the locations of monitoring wells, areas where contaminated media will temporarily be stores/staged and areas where contamination will not be remediated. 	Figures 10-13 and Attachments 3 and 4
<ul style="list-style-type: none"> Remediation system design diagrams showing how the system will be constructed in the field. <i>Appendix D provides a general remediation design, and future Individual Site Work Plans will document remediation details for each of the individual properties addressed.</i> 	Appendix D
<ul style="list-style-type: none"> A remediation system operation and maintenance plan that describes, at a minimum, how the system will be operated to ensure that it functions as designed without interruptions and a sampling program that will be used to monitor its effectiveness in achieving the desired goal. <i>Institutional Controls described in Section 6.2 will ensure appropriate management and disposal of lead containing soils during future development activities, road maintenance, and utilities work.</i> 	6.2 and 6.3
<ul style="list-style-type: none"> The plan should include a schedule of implementation. <i>A schedule for the Cleanup Proposal is included in Section 7.</i> 	7
The clean-up completion report is necessary to demonstrate that the remediation was completed according to the application. The following items should be included in the completion report:	
<ul style="list-style-type: none"> A final list of all site contaminants, along with the remaining concentrations, and any deviations from the original plan. <i>Lead is the site contaminant. A final list of any deviations from the original cleanup plan will be provided in the Cleanup Completion Report prepared for each individual property where VCUP soil remediation has been performed.</i> 	Future Submittals
<ul style="list-style-type: none"> A final list defining which media are contaminated and the estimated vertical and areal extent of contamination to each medium. <i>Soil is the contaminated medium. The extent of contaminated soil will be provided in the Cleanup Completion Report prepared for each property where VCUP soil remediation has been performed.</i> 	Future Submittals

INFORMATION REQUIRED	SECTION
<ul style="list-style-type: none"> A final list and map defining all source areas, areas of contamination or contaminant discharge areas. <i>A final map defining areas of soil contamination will be provided in the Cleanup Completion Report prepared for each property where VCUP soil remediation has been performed.</i> 	Future Submittals
Soil Contamination: Remediation by Excavation Only	
<ul style="list-style-type: none"> One confirmation sample per 500 ft² as measured at the base on the excavation OR two confirmatory samples, whichever method results in the collection of the most samples. 	NA
<ul style="list-style-type: none"> One composite sample from each wall of the excavation. In excavations of an irregular shape, one composite sample for every 100 lineal feet of wall. For excavations greater than 5000 ft², preparation of a grid for randomization of sampling. 	NA
<ul style="list-style-type: none"> Explanation of the sampling method in the narrative as well as any modifications to 1 and 2 above used to better characterize the remedial efforts. 	Appendix D
<ul style="list-style-type: none"> If contamination is to be left in place, an additional sample should be collected from the area of the worst contamination, as verified or with a field-sampling device. <i>Documentation of sampling for contamination left in place, if needed, will be provided in the Cleanup Completion Report prepared for each property where VCUP soil remediation has been performed.</i> 	Future Submittals
<ul style="list-style-type: none"> Depth of samples collected. <i>Documentation of sample depths will be provided in the Cleanup Completion Report prepared for each property.</i> 	Future Submittals
<ul style="list-style-type: none"> Provision of waste disposal manifests. <i>Documentation of soil disposal will be provided in the Cleanup Completion Report prepared for each property where VCUP soil remediation has been performed.</i> 	Future Submittal
In-Situ Soil Remediation	
<ul style="list-style-type: none"> Completion of a minimum of two soil borings, with at least one completed in the area identified in the site assessment as the area of highest contamination. For larger areas of contamination, one boring per 10,000 ft² of plume area. <i>Not Applicable – No in-situ soil remediation is planned for the Townsite Soils Site as part of this VCUP Application.</i> 	NA
<ul style="list-style-type: none"> Completion of the borings should employ a field-screening device and borings should be logged. <i>Not Applicable – No in-situ soil remediation is planned for the Townsite Soils Site as part of this VCUP Application.</i> 	NA
<ul style="list-style-type: none"> Soil sample submitted for analysis from each boring would be the sample with the highest field screening or one located at the ground water interface for each boring. <i>Not Applicable – No in-situ soil remediation is planned for the Townsite Soils Site as part of this VCUP Application.</i> 	NA

INFORMATION REQUIRED	SECTION
Ground Water Remediation	NA
<ul style="list-style-type: none"> Field testing should include aquifer and contaminant characteristics such as gradient, partition coefficients, original contaminant levels, etc. <i>Not Applicable – No groundwater remediation is planned for the Townsite Soils Site as part of this VCUP Application.</i> 	NA
<ul style="list-style-type: none"> At each regular monitoring event, a map showing ground water flow direction, depth to ground water and sampling locations. <i>Not Applicable – No groundwater remediation is planned for the Townsite Soils Site as part of this VCUP Application.</i> 	NA
<ul style="list-style-type: none"> Tabular presentation of data collected. <i>Not Applicable – No groundwater remediation is planned for the Townsite Soils Site as part of this VCUP Application.</i> 	NA
Summary of Voluntary Clean-up Program participation. <i>This requirement will be met through preparation and submittal of Cleanup Completion Reports for each property where soil remediation has been performed.</i>	Future Submittals
Summary of field activities, remedial activities, any deviations from original plans. <i>A summary of field activities, remedial activities, and any deviations from original plans will be provided in the Cleanup Completion Report prepared for each property where soil remediation has been performed.</i>	Future Submittals
Pertinent figures and drawings of remedial system. <i>Figures and drawings documenting the soil remediation will be provided in the Cleanup Completion Report prepared for each property where soil remediation has been performed.</i>	Future Submittals
Conclusions made after remedial activities are completed. <i>Any conclusions made following completion of remedial activities will be provided in the Cleanup Completion Report prepared for each property where soil remediation has been performed.</i>	Future Submittals

NA = Not Applicable
TBD = To Be Determined

APPENDIX B – QUALIFICATIONS OF ENVIRONMENTAL PROFESSIONALS

To be included with the VCUP Application formally submitted to CDPHE: SOQs for Formation Environmental, LLC and Copper Environmental Consulting

APPENDIX C – SUMMARY OF WORK COMPLETED UNDER 2004 VCUP APPLICATION

1 SOIL SAMPLING AND ANALYSIS FOR LEAD

The Atlantic Richfield Company (AR) conducted soil sampling at various times from 2004 through 2015, as described in the 2004 Voluntary Cleanup Program (VCUP) Application (AR 2004a). Soil sampling was completed at most of the parcels within the Town boundary, including parcels on undeveloped land in the Dolores River corridor. Access agreements between AR and the property owner were signed prior to implementing the proposed sampling at each property.

For sampling on developed residential parcels, different soil sample types were established based on specific uses and the nature of the material being sampled:

- Yards
- Driveways
- Vegetable gardens
- Play areas.

These sample types were recorded during sample collection, and they are identified in sample-data files. Results of lead analyses from these samples were relied on to identify locations for soil remediation under VCUP.

Additionally, exposed soil on unpaved streets, alleys, and along proposed sewer-line corridors were sampled. All of the roads in the Town, except for the paved highway, are unpaved, and many are covered with gravel. Sample types were defined and identified based on the nature of material.

Open space areas in the Dolores River floodplain were also sampled. The Dolores River east overbank (floodplain) area was specifically broken out as an area for targeted sampling based on the proximity to historical ore-processing operations (Pro Patria mill and tailings disposal area; Columbia tailings area) and former railroad facilities and operations. Most of the Dolores River floodplain sample locations were intentionally focused on areas of visually discernible mine waste and/or areas known to have been disturbed by historical mining- and/or railroad-related activity that could have introduced lead to soil.

The Final Data Report (ARCO 2006) and Data Summary Report (Trec 2015) prepared following soil investigations in 2004-2005 and 2014-2015, respectively, provide detailed descriptions of data collection activities and findings. In total, soil samples were collected for analyses of lead from 348 residential parcels (216 developed and 132 undeveloped) and 73 non-residential parcels.

2004-2006 Soil Sampling and Analysis – In general, soil samples were collected from the near-surface (0 to 2 inches below ground surface [bgs]) to best represent potential human exposures (AR 2004b, 2005). Residential yard-soil samples consisted of a composite of five sub-samples located randomly within a yard segment (e.g., back yard). Each sampled yard segment was approximately 2,500 to 5,000 square feet in area. Driveway samples consisted of composites of two randomly selected locations. Street samples comprised a composite of two samples taken at locations approximately equally spaced from the center of each block within Zone 1 (developed areas in the Town of Rico). One discrete surface soil grab sample was collected from play areas present on residential parcels. Zone 2 (undeveloped areas) samples were collected as discrete samples from individual locations and were not composited.

Samples were also collected from areas in Zone 1 identified by the sampling crews as possible or likely mine waste or mining/ore processing source material; these samples were collected from a depth of 0 to 2 inches. A minimum of two sub-samples were composited into a single sample for analysis. Sub-samples were collected at a rate of one sub-sample per 100 to 1000 square feet. Samples of waste rock piles and/or other mine waste or ore piles in Zone 2 were collected as discrete grab samples at a frequency of at least one sample per acre, with a minimum of two samples per area or pile.

Discrete-depth samples were collected at various Zone 1 sites at a frequency of one depth sample location per every other block consistent with the SAP criterion of a total of approximately 15-20 depth sample locations in Zone 1. Depth samples were also taken at approximately every third Zone 2 surface sampling location to meet the SAP criterion of approximately 10-15 Zone 2 depth sample locations. Depth samples were collected 2 to 12 inches bgs and 12 to 18 inches bgs at one of the five subsample locations at the selected depth sample site. Thus, a surficial sample taken at 0 to 2 inches bgs is also available at each depth sample site. Garden samples were collected over a depth of 0 to 12 inches to represent typical tilling depths. Samples collected along the proposed sewer lines were collected at depth intervals of approximately 0 to 2 feet bgs and 2 to 4 feet bgs to represent typical excavation depths.

2006 River Corridor Soil Sampling and Analysis – After discussions with CDPHE in June 2006, AR performed additional soil sampling of specific river corridor locations to characterize uncertainties related to soil lead exposure (ARCO 2007). Thirty-five samples were collected along the historical railroad bed, 11 at the East Shamrock Mine waste rock pile, and 11 in the overbank waste area (Anderson 2007). Samples were also collected at two background locations in the river corridor, 5 samples at each location. Soil lead concentrations were measured with a portable XRF and 10 percent of the samples were submitted for laboratory analysis for quality control (QC) purposes.

Soil lead concentrations ranged from 573 to 12,294 milligrams per kilogram (mg/kg) and averaged 3,740 mg/kg along a former rail line within the river corridor. The highest concentrations were in the vicinity of the Rico City yard at River Street and southward, at a location believed to have served as a historical rail equipment work yard. Lead concentrations in samples collected across the East Shamrock Mine waste rock pile ranged from 1,960 to 8,589 mg/kg and averaged 4,988 mg/kg. West Overbank area waste rock samples were collected on the west side of the Dolores River between the Santa Cruz and

Silver Swan reclamation areas and had lead concentrations that ranged from 3,219 to 6,490 mg/kg and averaged 4,908 mg/kg.

Background Area #1 was located in an open meadow on the west bank of the Dolores River on the southwest side of Rico. Background Area #2 was located in a small meadow on the north side of Rico near the CO Hwy 145 bridge. Samples were collected along a north-south transect every 50 feet. Background soil lead concentrations ranged from 84 to 244 mg/kg and averaged 102 mg/kg at Area #1; background concentrations ranged from 75 to 296 mg/kg and averaged 199 mg/kg at Area #2.

2008 Soil Sampling Along Town Streets – Some unpaved alleys in the Town of Rico were sampled again in 2008 (Anderson 2008, SEH 2008). Samples were collected from 0 to 2 inches at two locations approximately equal distance from the center of the alley segment. Soil lead concentrations were measured with a portable XRF, and 10 percent of the samples were submitted for confirmation analysis by a laboratory. A total of 43 samples were collected. Soil lead concentrations ranged from 158 to 68,400 mg/kg (Mean concentration = 3,080 mg/kg).

2014-2015 Soil Sampling and Analysis – Soil samples were collected in and around the Town of Rico in fall 2014 and spring 2015 at undeveloped residential properties, unpaved roadways, the Dolores River corridor, and at background locations (AECOM 2014). A total of 1,509 soil samples were collected and were either submitted to a laboratory for lead analysis or analyzed by field portable XRF.

- Of these, 924 soil samples were collected within undeveloped properties (vacant parcels) from four depth intervals (0-2, 2-12, 12-24, 24-36 inches).
- Twelve surface soil samples were collected at 12 new locations along unpaved roadways (0-2 inches). A total of 73 samples were collected along previously sampled unpaved roadways at two depth intervals (2-12, 12-24 inches).
- A total of 139 discrete soil samples were collected from previously sampled locations within the Dolores River corridor from the 0 to 2- and 2 to 12-inch depth intervals; 25 percent of the step out locations were sampled from 12 to 24 and 24 to 36 inches. A total of 259 XRF samples were collected within the Dolores River corridor.
- A total of 1-2 background samples were collected from four different geologic material types (undisturbed colluvium, undisturbed talus, undisturbed fan deposits, and undisturbed recent alluvial deposits).

2 CONSTRUCTION OF THE RICO SOIL LEAD REPOSITORY

The Rico Soil Lead Repository was constructed pursuant to a Certificate of Designation issued by Dolores County, and approved by CDPHE, in October 2005 for the disposal and management of soil removed during VCUP cleanup (AR 2004c). The Repository was constructed adjacent to the St. Louis Tunnel portal, approximately one mile north of Rico (see Figure 2) on the Martha and Mervin patent claims, and the repository has a total capacity of approximately 40,000 cy.

Design considerations included (1) selection of liner materials to provide adequate protection of groundwater from repository effluent, (2) proper grading of the repository subgrade and final grade to provide adequate slope stability and drainage of the effluent, (3) selection and placement of adequate cover materials to minimize long-term infiltration and erosion, and (4) surface water controls (ARCO 2004c). The liner consists of graded and compacted subgrade, a 6-inch thick cushion layer, a geo-composite liner (GCL), and a minimally compacted 12-inch thick drainage layer. Soil placed in the repository for permanent disposal is compacted. When the repository has been filled to capacity, disposed soil will be covered with a permanent cap consisting of an infiltration layer and growth media.

The total volume of lead-containing soil disposed in the Rico Soil Lead Repository (the Repository) through 2019 is listed in Table C-1. It is estimated that the cleanup under this VCUP project will generate additional soil requiring disposal in the Repository, but the volume of soil to be disposed in the future is not expected to fill the Repository to its 40,000-cy capacity. To ensure future capacity and avoid other complications, the repository is intended solely for use to support Rico Townsite Soil VCUP projects.

AR currently manages the Repository in compliance with the Certificate of Designation and applicable State of Colorado regulations. Currently, run-on-runoff controls are maintained to prevent erosion and dispersal of disposed soils. Recent inspection and maintenance reports have been provided to CDPHE.

TABLE C-1. SOIL VOLUME CURRENTLY DISPOSED IN RICO SOIL LEAD REPOSITORY

YEAR	QUANTITY OF SOIL (cy)	SOURCE OF SOIL
2005	3,787	Residential yards
2006	2,653	Residential yards
2007	1,561	Residential yards
2008	565	Van Winkle Mine site
2019	662	Residential Yards
TOTAL	9,228	Town of Rico

Notes: cy = cubic yards

3 REMEDIATION OF INDIVIDUAL PARCELS

An Individual Site Work Plan (ISWP) was developed to guide soil remediation at each of the sampled residential parcels (and including one school property) where soil contained lead above the action level for residential land use (1,100 mg/kg) and at each of the sampled non-residential parcels where soil lead was above the action level for commercial land use (1,700 mg/kg). A key specification for each of the ISWPs was the establishment of a minimum of 12 inches of clean surface soil at the subject property. This specification was addressed through a combination of existing-soil removal, as needed from the individually sampled areas within the property (e.g., yard area, driveway, etc.) followed by placement of clean soil over the excavated area(s).

The soil removed from each property was transported to the Rico Soil Lead Repository for final disposal. Borrow areas used as a source of clean soils were first sampled to verify low metals concentrations (all were below 100 mg/kg). Final reclamation of the clean soil surface depended on the pre-disturbance nature of the original surface and cover. The final surface was comprised mainly of revegetated soil consistent with the original conditions. Existing lawns were replaced with sod. Lawn watering and maintenance following sod placement were the responsibilities of the property owner. Properties with pre-existing native vegetation were seeded with native vegetation species, fertilized, and mulched. Unpaved driveways and any erosion-prone areas of the yard were capped with gravel or rock mulch.

Special consideration was given to protection of septic systems, propane tanks and service lines, other utilities, fences, retaining walls, concrete features (e.g., patios, sidewalks) and sub-surface irrigation systems during all on-site VCUP activities. In order to protect existing utilities, the location of buried public utilities was depicted on a scaled lot map based on locates arranged through the Utility Notification Center of Colorado. The locations of private buried utilities were based on the owner's description and site observations and confirmed as necessary by probing/test pits during excavation. Soil removal terminated at the drip line of established trees and shrubs to preserve these high value plantings. Damage to such features that occurred in the course of the work was repaired or replaced in kind. Also, standard construction controls were implemented during all excavation and grading operations to control fugitive dust.

Soil remediation was completed, except for some open issues regarding post-remediation landscaping concerns, at a total of 75 properties (each property includes one or more parcels recorded by Douglas County). Attachment 2 is a list of the previously remediated properties. AR was unable to address eight parcels with lead levels above the action level because access for remediation was denied by the owners. As part of the VCUP, AR obtained releases that the work was acceptable from the property owners of the majority (approximately 80 percent) of the remediated parcels. Approximately 10 percent of the property owners did not respond regarding completed work, and another 10 percent of the property owners refused to sign the releases for various reasons.

4 VAN WINKLE MINE SITE REMEDIATION

The Van Winkle Mine site encompasses less than 2 acres and is the location of the historical Van Winkle head frame and associated waste rock pile. A site-specific plan for the Van Winkle property was submitted with the Phase I Work Plan and Preliminary Data Report (ARCO 2004b). Pursuant to the Van Winkle Conceptual Plan and the Van Winkle Subdivision Plan approved by the Town in 2007, exchanges and conveyance of properties or portions of properties comprising or surrounding the Van Winkle Mine site were completed to consolidate the mine site into a single parcel for future ownership by a single entity. AR is the current owner of the remediated Van Winkle Mine site.

Given the size of the mine site and its similarity to other waste rock sites in the area, the cleanup consisted of techniques to limit human exposure to the existing waste rock, reduce the potential release of dissolved-phase metals to surface water, and provide for the long-term stability of the remediated area. Specific measures incorporated as part of the cleanup were designed to reduce infiltration,

control run-on and runoff, and limit direct human contact. Waste materials were consolidated and shaped to achieve reduced grades and to minimize the size of the area to be remediated. Lead-impacted soils removed from the site were transported to the Rico Soil Lead Repository for disposal. The mine site property now contains a pocket park for Town use. The Van Winkle headframe structure was preserved as an historically significant feature.

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APPENDIX D – RICO TOWNSITE SOILS 2021 PHASE 1 VCUP WORK PLAN

Refer to the separate document files for the Draft 2021 Phase 1 VCUP Work Plan.

APPENDIX E – DRAFT TOWN OF RICO OVERLAY ZONE REGULATIONS

The draft Rico Land Use Code agreed upon by Town and AR will be included here.

RICO TOWNSITE SOILS
2021 VOLUNTARY CLEANUP PROGRAM (VCUP) APPLICATION

DRAFT

APPENDIX D – PHASE 1 VCUP WORK PLAN (Version 1.4)

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TABLE OF CONTENTS

List of Figures	iii
List of Attachments	iii
List of Abbreviations	iv
1 INTRODUCTION	1
1.1 VCUP Project Background	1
1.2 Organization of the Work Plan	2
2 COMPLETION OF SOIL SAMPLING	3
2.1 Scope of Remaining Soil Sampling Activities	3
2.2 Access Agreements for Soil Sampling	4
2.3 Property Types	5
2.4 Soil Sampling and Analysis Plan	6
2.4.1 Soil Sampling At Residential, Residential PUD, Historical Commercial, Commercial, Commercial PUD, and Mixed Use Properties	6
2.4.1.1 Developed Properties	6
2.4.1.2 Undeveloped Properties	8
2.4.2 Soil Sampling Plan for Open Space and Public Facilities	8
2.4.3 Soil Sampling Plan for Town of Rico's Unpaved Roads	9
2.4.4 Collection of Soil Samples	9
2.4.4.1 Collection Methods	9
2.4.4.2 Compositing Soil Samples	10
2.4.4.3 Equipment Decontamination	10
2.4.5 Sample Preparation and Analysis Methods	10
2.4.6 Documentation of Sampling Activities	11
2.4.6.1 Property Maps and Sample Locations	11
2.4.6.2 Field Documentation	11
2.4.6.3 Sample Labeling	11
2.4.6.4 Sample Numbering	12
2.4.7 Sample Handling, Shipping, and Chain of Custody	12
2.4.8 Management of Investigation-Derived Waste	12
2.5 Quality Control Requirements For Soil Sampling and Analysis	12
2.5.1 Quality Control Limits for Measurement Data	13
2.5.2 Field Quality Control Procedures	14
2.5.2.1 Field Duplicate Samples	14
2.5.2.2 Standard Reference Materials (SRMs)	15

2.5.2.3	Split Samples for Laboratory Confirmation of XRF Measurements	15
2.5.2.4	Field Equipment Blanks.....	15
2.5.3	Laboratory Quality Control Samples.....	15
2.5.4	Instrument/Equipment Inspection, Calibration, and Maintenance.....	15
2.6	Data Quality Review and Evaluation of Sampling and Analysis Results	16
2.6.1.1	Data Quality Review.....	17
2.6.1.2	Laboratory Data Validation	17
3	SOIL REMEDIATION	18
3.1	Action Levels for Lead in Soil	18
3.2	Preliminary Scope of Soil Remediation	18
3.3	Owner Access Agreements for Soil Remediation	19
3.4	Soil Remediation Plan, By Property Type	19
3.4.1	Developed Properties Allowing Residential Use.....	20
3.4.2	Developed Open Space/Public Facilities Parcels	20
3.4.3	Unpaved Road and Alley Segments	21
3.5	General Procedures for Soil Remediation	21
3.5.1	General Requirements	21
3.5.1.1	Individual Site Work Plans.....	21
3.5.1.2	Specifications for Borrow Source and Clean Cover Soil	22
3.5.1.3	Transport and Disposal of Excavated Soil	22
3.5.1.4	Post-Remediation Restoration.....	23
3.5.2	Soil Removal and Replacement Procedures	23
3.6	Property-Owner Statement of Completion.....	27
4	REMEDIATION OF UNPAVED ROAD SEGMENTS.....	28
4.1	Potential Re-Sampling of Unpaved Road Segments.....	28
4.2	Preliminary Scope of Remediation	28
4.3	Conceptual Design.....	29
4.4	Road Remediation Work Plan Preparation	30
5	DATA MANAGEMENT, RECORD KEEPING, AND REPORTING	31
5.1	Environmental Data Management	31
5.1.1	Electronic Data Management Practices.....	31
5.1.2	Database and GIS Search Application	31
5.2	Record Keeping and Reporting.....	32
5.2.1	Reports to Property Owners	32
5.2.2	Property Records	33

5.2.3	Annual Status Reports	33
5.2.4	Project Records	34
6	REFERENCES	35

LIST OF FIGURES

Figure D-1 Previously Sampled and Remediated Properties

Figure D-2 Schematic Sampling Plans for Properties $\leq 5,000$ sq ft

Figure D-3 Schematic Sampling Plan for Properties $> 5,000$ sq ft and ≤ 0.5 Acre

Figure D-4 Schematic Sampling Plan for an Undeveloped Property $> 5,000$ sq ft and ≤ 0.5 Acre

Figure D-5 Example Soil Remediation Conceptual Design For A Residential Property

LIST OF ATTACHMENTS

ATTACHMENT 1. PROPERTY ACCESS AGREEMENTS

ATTACHMENT 2. STANDARD OPERATING PROCEDURES

LIST OF ABBREVIATIONS

AR	Atlantic Richfield Company
bgs	below ground surface
CDOT	Colorado Department of Transportation
CDPHE	Colorado Department of Public Health and Environment
CLP	Contract Laboratory Program
cy	cubic yard(s)
EPA	U.S. Environmental Protection Agency
FAQ	Frequently Asked Questions
GIS	Geographic Information System
GPS	Global Positioning System
ICP	Inductively Coupled Plasma
ICs	Institutional Controls
IDW	Investigation Derived Waste
ISWP	Individual Site Work Plan
LAL	Lead Action Level
LCS	Laboratory Control Sample
mg/kg	milligrams/kilogram (parts per million)
MS	Matrix Spike
PPE	Personal Protective Equipment
PUD	Planned Unit Development
QC	Quality Control
RPD	relative percent difference
RL	reporting limit
SOP	Standard Operating Procedure
sq ft	square feet
VCUP	Voluntary Cleanup Program
XRF	X-Ray Fluorescence

1 INTRODUCTION

This Work Plan describes work to be performed during Phase 1 (Soil Characterization and Soil Remediation) of the Rico Townsite Soils Voluntary Cleanup (VCUP) project in accordance with the 2021 Rico Townsite Soils Voluntary Cleanup Program (VCUP) Application. The work described in this Work Plan is an extension of the work previously completed under the 2004 VCUP Application and related plans approved by the Colorado Department of Public Health and Environment (CDPHE) for the Rico Townsite Soils VCUP project. As noted in the 2021 VCUP Application, the objective of the Rico Townsite Soils VCUP is to address the presence of lead in surface soil in the Town of Rico (Dolores County), Colorado.

The 2021 VCUP Application and this Work Plan are based on the same soil-remediation objectives and plans that were presented in the 2004 Rico Townsite Soils VCUP Application (AR et al. 2004a), as well as subsequent Rico Townsite Soils VCUP Work Plans and Sampling and Analysis Plans (AR et al. 2004b; AR et al. 2005; AECOM 2014) approved by CDPHE. The lead soils action levels will be developed as part of the VCUP, and approved by CDPHE. This application is being submitted in anticipation of an acceptable funding agreement being negotiated between the Town of Rico and Atlantic Richfield Company. Each applicant reserves the right to unilaterally withdraw this application if it determines the cleanup levels are not acceptable or if a funding agreement acceptable to the applicants cannot be secured.

1.1 VCUP PROJECT BACKGROUND

Atlantic Richfield Company (AR, which for the purpose of this Work Plan refers to Atlantic Richfield and its affiliates, consultants, and contractors) previously conducted investigations of soil in the Town of Rico (the Town) as part of the Rico Townsite Soils VCUP project. Soil sampling and analysis were performed at various times beginning in 2004 and continuing through 2015. The prior investigations included collection of soil samples from developed and undeveloped residential and non-residential properties; along unpaved roadways and proposed sewer alignments; and within the Dolores River corridor, which included sampling along an historical railroad corridor (AEC 2007). Soil samples have been collected for analyses of lead from over 400 properties.

AR also previously conducted soil remediation at individual properties in Rico to address soil lead concentrations above the risk-based action levels for lead that were approved by CDPHE and EPA for use by the Rico Townsite Soils VCUP project. Soil remediation was completed at all but a few of the properties that were sampled in 2004-2005 and found to have soil lead concentrations above the Rico Townsite Soils VCUP action levels. To date, soil remediation has not been completed under VCUP at properties sampled in 2014-2015, unpaved roads, or land parcels along the Dolores River.

AR's past VCUP activities also included the design, construction, and operation of a soil repository for disposal of lead-containing soil removed from Rico properties during soil remediation. The operations plan, closure plan, and post-closure plan for the Rico Soil Lead Repository were provided in the 2004 Engineering Design and Operations Report that accompanied the Application for Certificate of Designation for the Soil Lead Repository at the North Rico (St. Louis Ponds) Site (SEH 2004). The operations plan was prepared pursuant to the requirements of 6 CCR 1007-2, Part 1, Regulations

Pertaining to Solid Waste Sites and Facilities (Section 3.3 - Operating Criteria and Section 3.4 - Recordkeeping).

The Rico Soil Lead Repository was constructed in October 2005 approximately 1 mile north of the Town of Rico on property now owned by AR on the east side of the Dolores River. The repository covers an area of approximately 1.5 acres and has the capacity to accept 40,000 cubic yards (cy) of soil. The repository is operated by AR and accepts only soil with elevated lead levels. As of December 31, 2020, the repository has a remaining capacity of approximately 30,800 cubic yards (cy), or 77 percent of the original capacity. The repository is available to accept qualifying soil removed during the additional soil remediation that will be conducted in accordance with this Work Plan.

1.2 ORGANIZATION OF THE WORK PLAN

The purpose of this 2021 VCUP Work Plan is to describe the approach for completing Phase 1 soil characterization and soil remediation described in the 2021 Rico Townsite Soils VCUP Application. Section 2 of this Work Plan identifies the sampling and analysis methods that will be adopted to complete soil characterization in the VCUP project area. The sampling and analysis methods specified in Section 2 are generally consistent with those used during previous VCUP sampling efforts in 2004-2005, 2006, 2008 and 2014-2015, as described in the 2004 VCUP Application (AR et al. 2004a, 2004b). Section 3 of this Work Plan presents the approaches that will be adopted for soil remediation at the various types of developed properties present in Rico, including instructions for preparation of the Individual Site Work Plans (ISWPs) that will serve as the property-specific design document at each of the properties where AR conducts Phase 1 soil remediation. Plans for remediation of soil on unpaved road segments and management of VCUP soil data and soil-remediation records are described in Sections 4 and 5. The Institutional Controls (ICs), including the Overlay Zone Regulations, that will be implemented following the Phase 1 soil sampling and analysis and the soil remediation activities described in this Work Plan and the overall schedule for the Rico Townsite Soils VCUP project are provided in the 2021 VCUP Application (refer to Sections 6 and 7 of the Application).

2 COMPLETION OF SOIL SAMPLING

The primary purpose of soil sampling and soil analyses performed for the Rico Townsite Soils VCUP project is to provide data describing the lead concentrations in soil at individual properties in a manner that can be used to determine whether, and where, soil remediation is needed to address surface soil with lead concentrations greater than the site-specific action levels.

The Rico Townsite Soils VCUP project area is defined as the land within the boundaries of the Town of Rico, which has been divided into multiple land parcels or Town lots. For the purpose of this Work Plan, each individual parcel/lot and each group of contiguous parcels/lots under the same ownership will be described as a single “property.” The properties in the VCUP project area, as defined by the 2021 VCUP Application, have a range of different land uses. The Town of Rico zoning map (see Figure 6 of the 2021 VCUP Application) identifies the different land uses, each of which has distinct considerations for collection of soil samples that will be used to evaluate the need for remediation.

Data collected in accordance with this plan will fill the data gaps remaining for the Rico Townsite Soils VCUP project. The new data will ultimately be used along with other available VCUP-project data for the following purposes:

- Identify locations within the project area where surface soil-lead concentrations are above the applicable, site-specific action level and determine the scope of soil remediation at individual properties and on unpaved roadways within the project area;
- Guide AR’s preparation of the engineering design documents for soil remediation at individual properties (ISWPs) and on unpaved road segments (Road Remediation Work Plan);
- Provide additional data as needed to support requests to CDPHE for No Action determinations and No Further Action determinations (NFAs); and
- Provide additional data to support the ICs program that will be established to specify appropriate requirements for handling and remediating soil at individual properties when land uses change or new development takes place in VCUP Phases 2 and 3.

This section of the Work Plan provides the soil sampling and analysis procedures that will be followed to complete the VCUP soil investigations in the Rico Townsite Soils project area.

2.1 SCOPE OF REMAINING SOIL SAMPLING ACTIVITIES

The soil-sampling status and soil-remediation status of each individual property within the project area are indicated on the map in Figure D-1. Approximately 100 properties remain to be sampled in order to characterize lead concentrations in surface soil (refer to VCUP Application Attachment 3 for the list of properties identified for sampling during Phase 1).

Based on records maintained by the Town of Rico, approximately 16 of the properties remediated by AR in 2005-2007 may have since been subject to soil disturbance by excavation or construction activities permitted by the Town of Rico (refer to Attachment 4 of the VCUP Application). The clean cover soil placed on these properties during soil remediation may have been partially removed, substantially

disturbed, or covered by other soil in a manner that has changed the lead concentration in surface soil. For this reason, resampling the surface soil at these properties is warranted to confirm that existing conditions are consistent with the goals of the Rico Townsite Soils VCUP project. Resampling will also occur at five additional properties with existing clean soil covers that do not appear disturbed, for quality control purposes.. Identification of properties to be re-sampled will be done by a Town-hired Town Subcontractor.

Collection of new soil samples at any previously remediated properties will be contingent on the findings of a review of the available excavation or construction records documenting the extent of soil disturbance and a review of current versus historic aerial photographs. The review will be performed by AR with assistance from the Town of Rico. If that review indicates that previously remediated areas were disturbed (or likely disturbed) to depths of more than 12 inches below the ground surface (bgs), or if no documentation of the disturbance is available, then the lead concentrations in soil will need to be verified through resampling and analysis, and the property will be included in the soil sampling efforts completed in accordance with this Work Plan.

Additionally, soil sampling will be conducted in the vicinity of prior separate VCUPs (e.g., Columbia Mill Site, Van Winkle, Pro Patria). This will be done to ensure that areas around the VCUPs do not have elevated lead levels.

Road-surfacing materials on unpaved roads within the project area have already been sampled. However, some of the previously sampled roads have been disturbed since the original samples were collected in 2004 and 2008. As a result, re-sampling of the traveled surface of some road segments may be needed, pending consultation with the Town of Rico regarding the extent of recent disturbance activities and approval by CDPHE. Additional sampling may also be conducted to better define the extent of planned remediation of unpaved roads and support development of a final remedial design for unpaved roads (refer to Section 4).

2.2 ACCESS AGREEMENTS FOR SOIL SAMPLING

Before sampling at any property, AR must obtain agreement, in writing, from the current owner (or an authorized representative) allowing access to the property for that purpose. AR will request property owners to provide access to properties for collection of soil samples upon CDPHE acceptance of the 2021 VCUP Application and 2021 VCUP Work Plan. Each request for sampling access will be accompanied by written explanation of the objective of the VCUP program, the rationale for and benefits of soil characterization (and soil remediation) services offered by the VCUP Program, the purpose of sampling and analysis for lead, and a general timeline for conducting the sampling and analysis and then reporting results to the property owner. Requests for access will also provide internet

addresses for public-health websites that provide additional information regarding the potential health risks related to exposure to lead in the environment.¹

AR will mail out or hand deliver an initial written request for sampling access to the owners of the approximately 100 properties that remain to be sampled, with instructions to sign the enclosed access agreement (refer to Attachment 1 for an example access agreement) and return it to AR. AR will also mail out or hand deliver requests for access to the owners of the 21 properties previously remediated by AR that will be resampled to determine current soil lead concentrations (See Section 2.1). In addition, Efforts to obtain access agreements from property owners will extend for no more than 1 year following the initial mailing described above. As appropriate, the Town of Rico will assist AR in contacting owners or otherwise addressing property owners' specific concerns regarding collection and analyses of soil samples.

2.3 PROPERTY TYPES

Soil sampling will be conducted at three general types of properties, which are defined based on their current land use. Distinct sampling plans will be used to characterize lead in soil within each of the three property types.

The three property types and their current zoning designations are as follows:

1. Residential, Residential Planned Unit Development (PUD), Historical Commercial, Commercial, Commercial PUD, and Mixed Use

Properties with these zoning classifications (Residential, Residential PUD, Historical Commercial, Commercial, Commercial PUD, and Mixed Use) allow residential use. AR will collect soil samples at all properties zoned to allow residential use, including currently vacant and undeveloped properties. Parcels in high avalanche areas or flood zones that the Town considers more difficult to develop (see Figure 11 of the 2021 VCUP Application) will not be sampled as part of the initial sampling program for 2021 to 2024.

2. Town of Rico Open Space and Public Facilities

Soil samples will be collected from open space parcels that allow public access and at public facilities such as government buildings, schools, cemeteries, and common areas.

3. Town of Rico's Unpaved Roads

This area includes all of the Town of Rico's unpaved roads and routinely traveled alleys, including non-vegetated rights of way. Alleys that provide access to developed residential properties are considered "routinely traveled." The non-vegetated right-of-way area includes

¹ For example: U.S. Environmental Protection Agency's "Learn About Lead" website.
<https://www.epa.gov/lead/learn-about-lead>

the road shoulders, drainage swales, ditches, berms, parking area, and other bare ground next to the traveled roadway within the Town-owned right-of-way.

Both developed and undeveloped properties are targeted for sampling under this 2021 VCUP Work Plan to provide a consistent database of soil-characterization data that will ultimately support the VCUP project's ICs in Phases 2-3. If sampled properties are developed (or redeveloped) in the future as part of Phases 2-3, re-sampling by the property owner may be necessary to characterize the post-development soil lead concentrations. The need for future resampling in conjunction with development (or redevelopment) of the property will be performed by the property owner in accordance with the Overlay Zone Regulations adopted as an IC (refer to Section 6 of the 2021 VCUP Application).

2.4 SOIL SAMPLING AND ANALYSIS PLAN

The general sampling designs and sampling and analysis methods used during prior Rico Townsite Soils VCUP sampling efforts (i.e., from 2004 through 2015) have been adopted for completion of soil characterization within the VCUP project area to ensure consistency in the type and amount of data available for guiding VCUP soil remediation at individual properties.

The following sections describe the numbers and types of samples that will be collected at each of the three property types in the project area.

2.4.1 SOIL SAMPLING AT RESIDENTIAL, RESIDENTIAL PUD, HISTORICAL COMMERCIAL, COMMERCIAL, COMMERCIAL PUD, AND MIXED USE PROPERTIES

The sampling plans for properties where residential use is allowed are based on the recommendations provided in EPA's Superfund Lead-Contaminated Residential Sites Handbook (EPA 2003), which is the current version of this document. Figures D-2, D-3, and D-4 are schematic drawings that illustrate some example sampling designs based on the residential-property sampling requirements described below.

2.4.1.1 DEVELOPED PROPERTIES

For the purpose of the Rico Townsite Soils VCUP project, a developed property is defined as an improved property with a structure that is in a condition suitable for commercial or residential use and occupation. The minimum number of soil samples required at each developed property varies depending on the following conditions:

- **Developed properties ≤5,000 square feet (sq ft) in total area** – Properties less than or equal to 5,000 sq ft in total area will be divided into at least two sampling areas, excluding buildings, pavement, or other permanent caps over the soil. A minimum of two composite samples (comprised of five subsamples each), one each from the front yard and back yard (and side yard if substantial), plus a separate sample for each distinct driveway, vegetable garden, and play area, if present, will be collected.
- **Developed properties >5,000 sq ft and < 0.5 acres in total area** – Properties greater than 5,000 sq ft and less than 0.5 acres in total area will be divided into at least four sampling sectors, with each one not exceeding 5,000 sq ft (excluding buildings, pavement or other permanent caps). A minimum of four composite samples (comprised of five subsamples each), one from each

sampling sector, plus a separate sample for each driveway, vegetable garden, and play area, if present, will be collected.

- **Properties ≥ 0.5 acres in total area** – Properties greater than or equal to 0.5 acres in total area will be divided into sampling areas of less than or equal to $\frac{1}{4}$ acre each, and one five-point composite sample will be collected from each sampling area of the property. All sampling areas will be from the area within a 100-foot radius of the primary structure unless a property or natural boundary (i.e., fence, hedge, tree line, abrupt change in grade, etc.) is encountered at a distance less than 100 feet. In addition, separate samples will be collected from each distinct driveway, vegetable garden, and play area, if any such areas are present.

The five subsamples will be collected at five discrete locations within each composite-sample sector and composited into one composite sample for each separate area for a total of two or more composite samples for each property, based on the property size described above. The locations of the subsamples will be selected by the sampling personnel to represent soil conditions within the area of the yard that the composite is from. All subsamples will be collected from locations that are outside the drip zone of buildings (4 feet from the edge of a building) in order to avoid possible lead paint contamination.

If identifiable mine waste deposits are observed at the surface, a separate sample of those materials will be collected for analysis of lead concentration. One grab sample of the distinct material will be collected from a depth of 0 to 2 inches measured from the top of the soil column at each location where such materials are observed on the property. The grab sample will be prepared and analyzed for lead using the same procedures as other soil samples. Those procedures are described in Sections 2.4.6 and 2.4.7.

For developed properties of any size, additional samples will be collected from unpaved driveways, vegetable gardens, and bare play areas (see example sampling plans in Figures D-2 and D-3), if they are present, as follows:

- **Unpaved driveways** – Surface soil samples will be collected from a depth of 0 to 2 inches at two randomly selected locations in each unpaved driveway. These two samples will be combined into a single composite sample.
- **Vegetable gardens** – Soil samples will be collected from each vegetable garden at a sample density of one sample per 100 sq ft with a minimum of two samples per garden. Samples from vegetable gardens will be collected across the depth of 0 to 12 inches to reflect the typical tilling depth of a garden. These two or more subsamples will be combined into a single composite sample.
- **Play areas for children** – Additional samples will be collected of bare soil in play areas, if present. For relatively small play areas (swing sets, sand lots, etc.), one discrete surface soil grab sample will be collected within the play area. For larger play areas, surface soil samples will be collected from 0 to 2 inches at five randomly selected locations. These five samples will be combined into a single composite sample.

2.4.1.2 UNDEVELOPED PROPERTIES

Soil sampling will be completed at currently undeveloped properties that have the potential for future development (as determined by the Town of Rico). The required number of soil samples collected at these properties will be at least one five-point composite sample from each 5,000 sq ft of land (see example sampling plan in Figure D-4). If a building site, or sites, has already been established for a property, then one five-point composite samples will be collected from the proposed building site of 5,000 sq ft or less. An additional five-point composite sample will be collected for each additional 5,000 sq ft of undeveloped property or building site.

Each soil sample will be a composite of five subsamples, each collected from a depth of 0 to 2 inches. The locations of the discrete subsamples will be selected by the sampling personnel to represent the soil across the subject area (e.g., front, middle, and back areas of the property). The five subsamples will be combined to form a single composite sample representing the average lead concentration in soil across the sampled area.

If identifiable mine waste deposits are observed at the surface, those materials will be sampled for separate analysis for lead concentration. One grab sample will be collected from a depth of 0 to 2 inches in any such areas of the property. The grab sample will be prepared and analyzed for lead using the same procedures as all other samples. Those procedures are described in Section 2.4.6.

2.4.2 SOIL SAMPLING PLAN FOR OPEN SPACE AND PUBLIC FACILITIES

For open space parcels, at least one five-point composite sample will be collected from a depth of 0 to 2 inches per ½ acre of land. The five subsample locations will be selected by the sampling personnel with efforts made to collect the five subsamples from soil that is representative of the subject sample area. The five subsamples will be composited into a single sample representing that half-acre portion of the parcel.

If identifiable mine waste deposits are observed at the surface, those materials can be sampled for separate analysis of lead concentration. One or more grab samples may be collected from any such areas on the property, from a depth of 0 to 2 inches. The grab sample will be prepared and analyzed for lead using the same procedures as for the composite soil samples; those procedures are described in Section 2.4.6.



At properties of this type that include developed play areas for young children (e.g., designated playgrounds) additional samples will be collected from that area.

- **Children's play areas that are less than 5,000 sq ft** – Surface soil samples will be collected from 0 to 2 inches at five locations. These five samples will be composited into a single sample to represent that play area.
- **Children's play areas greater than approximately 5,000 sq ft** – The play area will be divided into two or more sections, each with an area no greater than 5,000 sq ft, and the composite sampling procedure will be applied to each section. For each section of the play area, surface

soil samples will be collected from 0 to 2 inches at five locations and composited into a single sample representing that section.

Because property uses in the open space/public facilities category vary widely, plans for soil sampling may be developed on a property-by-property basis. For example, schools and common areas that may be frequented by children may warrant sampling in a similar manner to residential properties. Such variations from the general sampling plan described above will not require specific approval by CDPHE as long as the minimum sampling requirements for the property type are met.

2.4.3 SOIL SAMPLING PLAN FOR TOWN OF RICO'S UNPAVED ROADS

AR will collect composite samples of the road surfacing materials from any unpaved road segments not previously sampled, unpaved road segments where the scope of planned remediation needs to be better defined, and where previously sampled unpaved roads that have been disturbed since the prior VCUP sampling. Analyses of these additional samples will augment the previous data collected for the Rico roadways.

AR will collect the soil samples based on previous sampling locations from the Rico Townsite Soils Investigation, Final Data Report (AR et al. 2006), 2008 road and alley sampling activities, and any information concerning new alleyways or roadways established since 2008. Refer to Figure 9 of the VCUP Application for a map of the road and alley sample locations in 2004 and 2008.

For each road segment identified for sampling, AR will collect one composite sample from the traveled surface of the road from a depth of 0 to 2 inches within the designated road segment. The composite will be comprised of two subsamples from each segment. Each segment shall be approximately one block, or the length of a road between two cross-streets, including alleys. One subsample is to be taken at a point approximately $\frac{1}{4}$ of the way along the length of the segment, and another subsample from approximately $\frac{3}{4}$ of the way along length. Both subsamples will be from near the center line running the length of the road. These two subsamples will be composited into a single sample to represent the entire unpaved road segment. Additional grab samples will be collected from the non-vegetated right-of-way immediately adjacent to the road at locations where visual observations indicate the presence of mine waste.

2.4.4 COLLECTION OF SOIL SAMPLES

Collection of soil samples will be consistent with sample collection, preparation, and handling procedures used for previous Rico Townsite Soils VCUP investigations.

2.4.4.1 COLLECTION METHODS

Soil will be collected at each sample location using hand tools to excavate soil from 0 to 2 inches bgs. The soil samples will be collected from below the base of any sod or root mat that may be present and beyond the drip zone of buildings present on or adjacent to the subject property to avoid possible contamination by deteriorating lead-based paint. In some cases, material other than vegetation will be encountered at a sample location, e.g., wood chips and sand are often found in recreational areas of

day-care and school playgrounds. In such cases, the top 2 inches of soil below the cover material should be collected instead of the non-soil cover.

2.4.4.2 COMPOSITING SOIL SAMPLES

For the purposes of this VCUP project, a composite soil sample will consist of the discrete subsamples of roughly equal volumes of soil collected from two or more separate locations within the subject sample area. The soil from each of the subsamples is to be collected into one clean container, such as a stainless-steel bowl or plastic bag, and then thoroughly mixed together. After mixing, the sample will be sieved to homogenize and reduce the size of the soil particles prior to analysis for lead content (see Section 2.4.6).

2.4.4.3 EQUIPMENT DECONTAMINATION

Decontamination will be performed on all re-usable sampling equipment between sample locations. Soil sampling equipment may include stainless-steel sampling utensils, hand tools, and direct-push samplers. Small equipment will be decontaminated by washing with clean, distilled or de-ionized water mixed with detergent solution, and rinsing with clean, distilled or de-ionized water.

2.4.5 SAMPLE PREPARATION AND ANALYSIS METHODS

All soil samples will be sieved through the U.S. Standard No. 60 sieve (250 µm mesh size) and then the materials passing the sieve will be analyzed for lead. Composited soil that does not pass through the sieve can be returned to the ground surface in the area where it was collected. Soils that are wet when collected may need to be dried before sieving. If drying is necessary, the soil should be air dried at ambient temperature, or if necessary, oven dried at temperatures less than 120 degrees F.

A Niton 700 Series XRF instrument, or similar, will be used for field analysis of soil lead concentrations. The methods for XRF analysis will be consistent with EPA SW-846 Method 6200 (Field Portable X-Ray Fluorescence Spectrometry for the Determination of Elemental Concentrations in Soil and Sediment). Each soil sample will be homogenized by mixing and sieving prior to XRF analysis. Additional details are included in SOP_VCUP_04_200305 - Handheld X-ray Fluorescence (Attachment 2 of this Work Plan).

A subset of samples (minimum of 10 percent) analyzed by XRF will be split after sieving for submittal to a laboratory for lead analysis using EPA SW-846 Method 6010, Inductively Coupled Plasma – Optical Emission Spectrometry (ICP). Upon receipt at the laboratory, these soil samples will be prepared for analysis using EPA SW-846 Method 3050B. The laboratory methods referenced by the contracted laboratory shall conform to the procedures outlined in EPA SW-846, Test Methods for Evaluating Solid Waste: Physical/Chemical Methods, Update IV. Split analyses will not be required for verification of lead concentrations at previously sampled and previously remediated properties or for stockpiled soil.

The lead concentrations reported by the laboratory will be used to confirm the accuracy of the XRF measurements and describe the correlation between the lead concentrations obtained by the two distinct analysis methods (see Attachment 2 - SOP_VCUP_04_200305 - Handheld X-ray Fluorescence). Results of the split-sample comparisons will be evaluated and reported to CDPHE with data reports generated at the end of each year of sampling activities.

2.4.6 DOCUMENTATION OF SAMPLING ACTIVITIES

Sampling activities and property conditions at the time of sample collection will be documented by the sampling personnel.

2.4.6.1 PROPERTY MAPS AND SAMPLE LOCATIONS

AR will prepare a sketch map of each property that shows property boundaries and improvements, including existing structures (e.g., house, garage, other structures), driveways, fences/walls, patios/decks, and landscaped areas (e.g., lawn, trees, and shrubs). AR will also delineate any vegetable gardens and any established play areas for children on the property map.

AR will clearly delineate each composite-sample area outlined on the property map and document each discrete sub-sample location within that area using a hand-held global position system (GPS) unit. AR will also record subsample locations and sample numbers in field notes at the time of sampling. The X/Y-location coordinates will be recorded in the following format: NAD 1983 State Plane; Colorado South FIPS 0503 Feet; Linear Unit: US Foot (0.3048006096012192).

2.4.6.2 FIELD DOCUMENTATION

For sampling at developed residential properties, the following types of sample areas will be established based on specific uses:

- Yards/Lots
- Driveways
- Vegetable gardens
- Play areas

AR will record the type of sample area along with the sample number (see below) during sample collection.

AR will photo-document sampling locations and procedures using either video or still photographs. For still photographs, AR will maintain a log that matches each photograph number with a written description of the photographic location. For video recording, AR will use a voice narrative to describe the location/activity being video recorded. Detailed photographic or video documentation will include the sample locations and the condition of the property during soil sampling and prior to remediation, including location and condition of concrete pads, fencing, sheds, gardens, etc.

2.4.6.3 SAMPLE LABELING

After each soil sample has been prepared for analysis (Section 2.4.6), the sample will be placed into a clean sample container that will be sealed and labeled with the following information:

- Property identification (street address)
- Sample number (includes the previously assigned "VCUP Lot number," as indicated below)
- Sampling date and time
- Sampling personnel
- Requested analysis

2.4.6.4 SAMPLE NUMBERING

A numbering system will be established for tracking each sample. The system will be designed to distinguish between types of properties and types of samples and will be consistent with the sample numbering scheme used during collection of the 2014-2015 samples (TREC 2015). For example, a sample number of 20-RES-028-01 includes the following information:

- The first two digits specify the year samples are collected (e.g., 2021)
- The letters specify the type of property (e.g., RES – residential, NRES – non-residential, RD – unpaved road)
- The three-digit number specifies the VCUP Lot number (e.g., 028)
- The final two digits specify the sample number at each property (e.g., 01, 02, 03)

2.4.7 SAMPLE HANDLING, SHIPPING, AND CHAIN OF CUSTODY

AR will prepare laboratory chain-of-custody forms for all samples, including those analyzed using field methods, to ensure that the samples are traceable from the time of collection until final disposition. Soil samples collected for laboratory analyses will be shipped in sealed coolers. For each sample or set of samples shipped for laboratory analyses, a copy of the completed chain-of-custody form and shipping receipt will be retained by the sampling personnel for the project's field records.

Sample holding times are established to minimize chemical changes in a sample prior to analysis and/or extraction. A holding time is defined as the allowable time between sample collection and analysis recommended to ensure accuracy and representativeness of analysis results, based on the nature of the analyte of interest and chemical stability factors. The holding time for analyses of lead in soil samples by EPA Method 6200 and EPA Method 6010 is 180 days.

2.4.8 MANAGEMENT OF INVESTIGATION-DERIVED WASTE

Investigation-derived personal protective equipment (PPE) and disposable sampling equipment will be contained in plastic garbage bags by AR and disposed of onsite for transport to the municipal landfill by AR. It is anticipated that there will be minimal amounts of investigation-derived waste (IDW) associated with collecting soil sampling. Equipment decontamination water will be transferred to buckets with sealable covers, or other sealable containers, and then disposed at the Rico Soil Lead Repository.

AR will record an inventory of any IDW generated during sampling and analysis activities in daily field notes. The inventory will reference the date and area of generation as well as the storage or disposal location of the IDW.

2.5 QUALITY CONTROL REQUIREMENTS FOR SOIL SAMPLING AND ANALYSIS

This section describes data-quality checks that will be performed to evaluate measurement variability associated with soil sampling and analyses for lead. The following quality control (QC) specifications are generally consistent with those adopted during previous VCUP soil sampling and analysis activities (AR et al. 2004b, 2005; TREC 2015).

2.5.1 QUALITY CONTROL LIMITS FOR MEASUREMENT DATA

The project's target control limits for precision, accuracy, representativeness, and completeness of lead-in-soil measurements for the VCUP project are as follows.

Precision

Data precision is assessed by determining the agreement between replicate measurements of the same sample and/or measurements of duplicate samples. The overall precision of the sampling-and-analysis process is assessed by the analysis of field duplicates. The precision of sample analyses is determined by replicate analyses of the same sample.

Precision of analyses of soil for lead shall be determined by the analysis of field duplicate samples, dual analyses of split samples, and duplicate analyses (i.e., laboratory duplicates). The precision goals for these sample analyses are as follows.

- Field duplicate and split sample results < 35 relative percent difference (RPD).²
- Laboratory (analytical) duplicate results < 30 RPD.

Accuracy

Accuracy is the degree of difference between the measured value and the true value. It is a measure of the bias or systematic error of the entire data collection process, which includes sample collection methods, interference effects during sample analysis, and calibration of the measurement system. The accuracy of reported lead concentrations will be evaluated by the analysis of samples with known concentrations of lead, and the analysis results will be expressed as a percentage recovery measured relative to the true (known) concentration.

For this project, XRF accuracy (EPA Method 6200) will be evaluated using results from XRF analysis of standard reference material (SRM) samples of a soil matrix. Laboratory accuracy (EPA Method 6010) will be determined by the analysis of calibration and method blanks, calibration verification samples, laboratory control samples (LCS), and matrix spike (MS) samples. This project's accuracy goals for analyses of soil samples for lead depend on the analysis method, as follows.

XRF analysis of lead in soil (EPA Method 6200):

- Calibration in accordance with the XRF instrument manufacturer's specifications
- SRM recovery within 70 to 130 percent

Laboratory analysis of lead in soil (EPA Method 6010):

- Calibration and method blank concentrations < method detection limit
- LCS recovery within 80 to 120 percent
- MS recovery within 75 to 125 percent

² For duplicate pairs with one or both lead results being less than five times the reporting limit (RL) of the analysis method, a difference of less than or equal to two times the RL (difference $\leq [2 \times \text{RL}]$) will be used as the precision goal.

Representativeness

Data representativeness is defined as the degree to which data accurately and precisely represent a characteristic of a population, parameter variations at a sampling point, or environmental conditions. Representativeness is a qualitative parameter that is addressed through the design of an appropriate sampling program. The sampling program described in Section 2.4 has been designed to provide samples that are representative of surface soil at each of the properties where samples are to be collected, and sample representativeness will be controlled through consistent use of the sampling and sample preparation procedures presented in this plan.

In addition, the representativeness of soil samples collected with re-usable and decontaminated sampling equipment will be evaluated through analyses of field equipment rinse samples (i.e., equipment blanks). The target control limit for equipment blank analyses is a lead concentration result less than five times the reporting limit for lead in water, as measured using EPA Method 6010.

Comparability

Data comparability is defined as the confidence with which one data set can be compared to another. Comparability is a qualitative parameter that is considered in the design of the sampling plan and selection of analytical methods, quality control protocols, and data reporting requirements.

Comparability shall be ensured by analyzing samples obtained in accordance with the standardized procedures described in this Work Plan, which are consistent with those used during past Rico Townsite Soils VCUP soil investigations. In addition, measurement data will be calculated and reported in consistent units so that the values can be directly compared to each other and to historical data from the project area. Soil lead concentrations are to be reported in consistent units of milligrams per kilograms (mg/kg, equivalent to parts per million).

2.5.2 FIELD QUALITY CONTROL PROCEDURES

Field duplicates of soil samples and SRM samples will be analyzed for lead to provide information regarding precision and accuracy of the sampling and analysis process. In addition, at least 10 percent of the soil samples collected for XRF analyses of lead will be split for confirmation analysis of lead by EPA Method 6010.

2.5.2.1 FIELD DUPLICATE SAMPLES

Field duplicates will be collected at a minimum frequency of 1 per 20 field samples (frequency = 5 percent). Field duplicates will be collected simultaneously with or immediately after the corresponding original samples have been collected and prior to preparation of the sample by sieving. Each of the duplicate samples will be sieved separately and then submitted for analysis with a unique sample number/identifier.

2.5.2.2 STANDARD REFERENCE MATERIALS (SRMs)

SRMs are homogeneous and stable materials for which target analyte concentrations have been determined with a very high degree of certainty. Whenever XRF analysis is relied on for measuring lead content of soil samples, a certified SRM (i.e., SRM soil comparable to the Rico soil matrix) will be obtained and analyzed for lead at a minimum frequency of 1 per 50 field samples analyzed by XRF (EPA Method 6200). Analyses of SRMs will be in addition to daily (or more frequent) calibration of the XRF instrument for measurement of lead.

2.5.2.3 SPLIT SAMPLES FOR LABORATORY CONFIRMATION OF XRF MEASUREMENTS

Whenever XRF analysis (EPA Method 6200) is relied on for measuring lead content of soil samples, split samples will be prepared, at a rate of 1 sample per 10 samples (frequency = 10 percent), for confirmation analysis by EPA Method 6010. The split samples will be prepared from the fine fraction of soil obtained by sieving (refer to Section 2.4.6). One split sample will be analyzed for lead by EPA Method 6200, and the other will be analyzed for lead by EPA Method 6010.

2.5.2.4 FIELD EQUIPMENT BLANKS

When the equipment used to collect soil is re-used between composite sample locations and between sampling at separate properties, field-equipment blanks will be collected to evaluate field sampling and decontamination procedures. The equipment blanks will be obtained by pouring deionized water over the decontaminated equipment. Equipment blanks will be collected at a 5 percent frequency for each equipment type that is decontaminated. The equipment blanks will be analyzed for total lead by EPA Method 6010.

2.5.3 LABORATORY QUALITY CONTROL SAMPLES

The laboratory contracted by AR to support the Rico Townsite Soils VCUP project will perform calibration of measurement instruments/equipment and analyze QC samples in accordance with specifications included in EPA Method 6010. A laboratory method blank, LCS, analytical duplicate, and a MS sample should be run in each laboratory QC batch with a minimum frequency of 1 each per 20 field samples. If fewer than 20 field samples are submitted, then 1 set of these QC analyses would be included with the group of less than 20 samples.

Soil samples collected in Rico will be used for preparation of the analytical duplicates and MS samples. The sampling personnel responsible for collection and shipping of samples to the laboratory shall designate the samples to be used for laboratory QC analyses (MS and analytical duplicate) on the COC forms.

2.5.4 INSTRUMENT/EQUIPMENT INSPECTION, CALIBRATION, AND MAINTENANCE

In order to ensure continual quality performance of instruments or equipment relied on for measurement data, AR will perform equipment testing, inspection and maintenance routinely and record it in field notes.

Field Equipment

AR will use hand-held GPS units for recording sample locations. Portable XRF instruments may be used to analyze soil samples in the field for lead content.

Measurement equipment will always be inspected and the calibration checked before it is transported to a field setting for use. When in use, field equipment shall be calibrated at least once at the start of each day's field activities using the procedures and standards provided by the equipment manufacturer. For lead-in-soil measurements by XRF analysis, the calibration requirements found in EPA Method 6200 shall also apply. Field instruments that fail calibration requirements will be tagged as "non-functional" or "defective" and returned to the manufacturer or other supplier for repair or replacement.

Field instruments will be cleaned and safely stored at the end of each day of use and also between separate sampling events. Any routine maintenance recommended by the equipment manufacturer will be performed at the specified or recommended frequency.

Laboratory Equipment



Laboratory measurement instruments will be maintained in accordance with the laboratory's Quality Assurance Plan and the requirements of the referenced analysis method (i.e., EPA Method 6010). In addition, all measurement instruments and equipment used by the laboratory shall be controlled by a formal testing and preventive maintenance program.

Laboratory preventive maintenance will include routine equipment inspection and calibration at the beginning of each day or each analytical batch, as per the laboratory's internal standard operating procedures (SOPs) and specific method requirements, whichever is more stringent. The laboratory will keep maintenance records and make them available for review, if requested, during laboratory audits.

Physical and chemical calibrations shall be performed at the laboratory as specified by the laboratory's Quality Assurance Plan, instrument manufacturer's guidelines, and the requirements of EPA Method 6010. When laboratory measurement instruments do not meet the calibration criteria of the laboratory's Quality Assurance Plan and/or EPA method, then the instrument will not be used for analysis of samples submitted under this Work Plan.

Records of calibration, repairs, or replacement will be filed and maintained by the designated laboratory personnel performing QC activities. These records will be filed at the location where the work is performed and will be subject to quality assurance audit.

Calibration records and demonstration of acceptable calibration results are also required elements of the laboratory's data reporting to AR.

2.6 DATA QUALITY REVIEW AND EVALUATION OF SAMPLING AND ANALYSIS RESULTS


The QC information provided in field records and laboratory data reports will be reviewed to confirm that the reported measurement data are acceptable to support the VCUP project's objectives.

2.6.1.1 DATA QUALITY REVIEW

The QC information recorded during field and laboratory soil analyses will be subject to review to evaluate data quality. The project's targets for precision, accuracy, and representativeness, which are listed in Section 2.5.1, will serve as the basis for data quality evaluation. Laboratory results that do not achieve the target control limits for these parameters will be identified for data users as "estimated values," and the reason for this designation shall also be recorded for reference by data users.

2.6.1.2 LABORATORY DATA VALIDATION

An initial validation of field and laboratory methods for lead analysis of soil samples will be performed in accordance with SOP VCUP 07 using the general protocols and processes described in EPA National Functional Guidelines for Inorganic Superfund Methods Data Review (EPA 2017) and Guidance for Labeling Externally Validated Laboratory Analytical Data for Superfund (EPA 2009). The validation review will be performed for the first approximately 20 percent of samples analyzed by the contracted laboratory during each field season. For example, if the projected number of samples that will be sent to a laboratory for analysis during a field season is 75, then the data reported by the laboratory for analyses of the first 15 samples (20 percent) will be validated. Within 1 month of receiving the final laboratory data report, AR will perform the data validation review and provide the validation results to CDPHE and the Town of Rico, so that any negative findings can be used to identify appropriate corrective actions that can be implemented in conjunction with later sample analyses.

The data validator  will perform a manual validation, as defined in EPA guidance (EPA 2009), on the hard copy data reports prepared by the laboratories. Data validation will be equivalent to an EPA Contract Laboratory Program (CLP) Level IIB validation. Data validation protocols and findings will be documented by the reviewer, and the validation records will be maintained with the other VCUP project records. A summary of data validation findings will also be included in a data summary report prepared at the end of the VCUP sampling and analysis activities and then submitted to CDPHE and the Town. Data validation records and the data validation summary reported to CDPHE will indicate any data qualifiers applied to individual results and reasons for application of those qualifiers.



3 SOIL REMEDIATION

The objective of soil remediation under the Rico Townsite Soils VCUP Phase 1 project is to remove or cover surface soil from locations in the Town of Rico where lead-in-soil concentrations are above the CDPHE- and EPA-approved, risk-based, action levels. This Work Plan presents the overall approach and general procedures to be used for remediation of properties within the Rico VCUP project area. The approach and procedures described in this Work Plan are generally consistent with those used during previous VCUP remediation efforts in 2004-2005 (AR et al. 2004a, 2004b, 2005).

3.1 ACTION LEVELS FOR LEAD IN SOIL

A site-specific, human health risk assessment that evaluated residents' exposures to lead in soil and identified levels of lead in soil of potential health concern was performed using soil lead concentrations from properties in the Town of Rico (Integral 2006). Based on information provided by the risk assessment, two risk-based action levels were developed for lead in soil:

- Residential soil action level – 1,100 mg/kg
- Commercial soil action level – 1,700 mg/kg

These action levels were approved by CDPHE and EPA in 2006 and 2007 for soil remediation conducted as part of the Rico Townsite Soils VCUP project. AR is working with human health risk assessment professionals, as well as CDPHE, the Town and EPA, to review these Lead Action Levels (LALs) and verify their continued protectiveness in light of recent changes to the underlying risk-based assumptions and scientific model inputs.

Properties will be identified for soil remediation by comparing the VCUP lead-in-soil data at each sampled property to the site-specific, risk-based action level. The residential action level will apply at properties where Town of Rico zoning permits residential use. The commercial action level, referred to as the “non-residential action level” for purposes of this VCUP, will apply to soil on unpaved road and alley segments and properties where zoning prohibits residential use (e.g., Public Facilities and Open Space parcels).

3.2 PRELIMINARY SCOPE OF SOIL REMEDIATION

AR has already completed soil remediation at 78 properties in the project area (refer to Attachment 2 of VCUP Application). Additional soil remediation will be conducted to address lead in soil at developed properties where the lead content of soil exceeds the residential action level (refer to Attachment 5 of VCUP Application for a preliminary list of properties identified for soil remediation), including approximately 14 of the developed properties that were sampled in 2014 but not remediated at that time. For the purpose of the VCUP project, a developed property is an improved property with a structure that is in a condition suitable for commercial or residential use and occupation.

Properties with soil-lead concentrations greater than the action level that require remediation may also be identified through planned soil sampling at the remaining unsampled properties within the project area, as previously described in Section 2.1. In addition, soil remediation will be performed at previously

remediated properties, if necessary, where soil has since been disturbed by excavation and/or new construction has been permitted by the Town since 2006. Such previously remediated properties will be re-remediated when sampling indicates soil-lead concentrations greater than the applicable action level.

The final remediation design for each property where Phase 1 remediation is planned will be reflected in an ISWP prepared by AR following completion of soil sampling (and analysis) at the subject property. The purpose of the ISWP will be to document the property-specific plan and specifications for soil removal and replacement. Section 3.5 describes the general scope and content of the ISWPs, along with other general requirements of VCUP soil remediation activities.

3.3 OWNER ACCESS AGREEMENTS FOR SOIL REMEDIATION

A valid access agreement must be in place with the current owner of any property prior to AR's implementation of a property-specific remediation plan. A template for preparing the soil-remediation access agreement is provided in Attachment 1. Each request for soil-remediation access will be accompanied by written explanation of the purpose of the VCUP program, the purpose of soil remediation, a summary description of the remediation approach, and a general timeline for conducting the work.

An initial written request for access will be hand-delivered (for local owners) or mailed to the owners of the properties identified for soil remediation based on the results of VCUP sampling and analysis activities. In addition, attempt(s) will be made to contact the property owners who do not respond to the initial request for access via telephone or by going door-to-door, or by other available means (e.g., email or text message). As appropriate, the Town of Rico will assist AR in contacting owners or otherwise addressing property owners' specific concerns regarding soil remediation plans and property disturbance by AR. Efforts to obtain access agreements from property owners will continue for no more than 1 year following the initial request for access described above.

Before preparation of an ISWP (refer to Section 3.5), representatives of AR will meet with the owner of the property, either in person or by phone, to discuss the general nature of the planned remediation activities and to identify any property-specific factors to be considered as the ISWP is developed. Once the ISWP has been presented and discussed with the property owner, the property owner will be asked to approve the plan, by signing a copy of the ISWP, before remediation activities are initiated by AR at the subject property.

3.4 SOIL REMEDIATION PLAN, BY PROPERTY TYPE

At each of the individual properties to be remediated under the VCUP project, on areas of the property where VCUP soil samples indicate the presence of lead at concentrations greater than the applicable action level for that property type, soil will be remediated to establish 12 inches of clean soil cover. The Phase 1 remediation will include removal of surface soil, to a depth of 12 inches, in the yard areas where lead in soil exceeds the applicable LAL followed by replacement with clean soil and other appropriate cover materials in the same area(s).

Undeveloped properties where lead in soil exceeds the applicable action level will be remediated in the future as part of the ICs program if, and when, Town-permitted new development takes place at these properties. In accordance with Town Overlay Zone Regulations that will be adopted as part of the ICs program (refer to Section 5 of this Work Plan), a property-specific soil-remediation plan will be developed in conjunction with building plans prepared for review and approval by the Town of Rico.

The detailed plans for soil remediation on any property in the project area will vary depending on the type and size of the subject property. General guidelines for soil remediation at developed properties and on parcels designated as open space and public facilities are provided below. More specific procedures that will be followed during soil removal and replacement are explained in Section 3.5.2.

3.4.1 DEVELOPED PROPERTIES ALLOWING RESIDENTIAL USE

The extent of yard-soil remediation at developed properties will be property-specific and dependent on the number and location of yard areas identified where the lead content of surface soil exceeds the residential action level. For properties with a total area of less than or equal to 5,000 sq ft, the entire yard area (i.e., areas of the property that are unpaved and clear of structures or other permanent cover materials) will be remediated. For properties with a total area greater than 5,000 sq ft, soil remediation will be performed in the yard areas within a 100-foot radius of the structure where the action level is exceeded rather than across the entire property. Decisions to remediate unpaved driveways, play areas, and vegetable gardens will be based on the individual sample results associated with each such area present. An example soil-remediation plan for a typical property of more than 5,000 sq ft is included as Figure D-5.

In the areas of the property where lead concentrations exceed the LAL, existing soil will be removed, generally to a depth of 12 inches bgs, followed by placement of clean soil over the excavated area(s). For properties that have a vegetable garden with soil lead concentrations that exceed the LAL, the soil will be removed from the garden area to a depth of 18 inches bgs and then replaced with 18 inches of clean soil.

3.4.2 DEVELOPED OPEN SPACE/PUBLIC FACILITIES PARCELS

Decisions to remediate soil on land parcels designated by the Town of Rico for open space and public facilities will depend on the uses of the parcel. The portions of such parcels where school yards or play areas frequented by young children are present will have soil remediated where soil lead concentrations exceed the residential LAL. Soil with lead content greater than the LAL will be removed to a depth of 12 inches and then replaced with clean soil.

Open space or public facilities parcels that do not include areas intended for frequent use by young children will have soil remediated where soil lead concentrations exceed the commercial LAL. On such parcels, soil in the areas where sample results indicate lead content greater than the LAL will be removed to a depth of 12 inches and then replaced with clean soil. On open space and public facility parcels, only the area that will be disturbed by the development activity should be remediated, and not the full area of the individual lot or lots.

3.4.3 UNPAVED ROAD AND ALLEY SEGMENTS

The approach and procedures for remediation of unpaved road and alley segments are described separately in Section 4.2 of this Work Plan.

3.5 GENERAL PROCEDURES FOR SOIL REMEDIATION

The soil-remediation methods, components, and materials described in this Work Plan are consistent with those used during previous VCUP remediation efforts conducted in 2005-2007 (AR et al. 2004a, 2004b, 2005).

3.5.1 GENERAL REQUIREMENTS

The following requirements are applicable to soil remediation performed within the VCUP project area.

3.5.1.1 INDIVIDUAL SITE WORK PLANS

Before initiating cleanup activities at any individual property, AR will develop an ISWP for review by the property owner(s). The ISWP will include a brief narrative and/or an annotated map that presents a description of the areas where soil will be removed, the final cover type (e.g., native species, sod, aggregate or rock mulch), a list of features (e.g., trees, shrubs, fences), that will remain, if any, and steps that will be taken to minimize damage to any other features at the property. The map or site-plan drawing will show the property boundaries and any features that will be disturbed or modified by soil removal; the plan will also include an inventory of key features of the yard. An example conceptual-site-plan for soil remediation at a developed residential property is included as Figure D-5. The ISWP will also include a list of AR's contractor(s) and key personnel responsible for on-site construction activities, with their contact information. Finally, AR will include in the ISWP a photographic or video documentation of the condition of the property prior to remediation, including concrete pads, fencing, sheds, gardens, etc.

AR and the property owner must sign the ISWP to indicate acceptance of the plan for soil remediation before AR performs the work outlined in the ISWP for their property.

AR's oversight representative(s), remediation contractor(s), and the property owner will conduct a walk-through of each property to review and discuss elements of the final ISWP prior to implementation of the plan. Once AR has completed the work, any changes to the ISWP adopted during construction will be noted by AR's on-site representative on an "as built" version of the ISWP, and a copy of the amended/as-built ISWP will be provided to the property owner. The as-built ISWP will also be maintained in the project records available to the Town of Rico and CDPHE.

Upon completion of the VCUP soil remediation described in this Work Plan, AR will provide copies of all ISWPs to the Town of Rico for reference in the implementation and enforcement of regulations adopted for the ICs program, which is described in Section 5 of this Work Plan.

3.5.1.2 SPECIFICATIONS FOR BORROW SOURCE AND CLEAN COVER SOIL

Prior to initiating soil remediation, AR will locate a borrow area (or areas) to serve as the source of clean cover and growth media on remediated properties. Soil from the borrow source(s) will be tested to confirm suitability for use in soil remediation as clean cover soil (soil with lead concentration less than 100 mg/kg). Suitable clean soil may also be obtained from a source other than a borrow area (e.g., construction site in a nearby town or other existing soil stockpile), but that source must also be sampled and tested to confirm its suitability as clean cover soil.

Engineering Specifications

All cover soil will meet the lead content criterion specified below. AR will develop technical specifications for the upper six inches of cover soil that are intended to support vegetation. The technical specifications will include suitability criteria for the following parameters:

- soil pH and conductivity
- texture and particle sizing
- percent organic matter
- sodium absorption ratio or exchangeable sodium percentage
- nutrient analysis (nitrogen, phosphorus, potassium)
 - a. Testing may identify a need for screening to remove excess coarse material or addition of organic amendments before the borrow soil is suitable for use as growth media.

Lead Content

The maximum lead concentration in clean cover soil obtained from a borrow area, or other source that is not the property being remediated, will be specified at 100 mg/kg (total lead, reported on a dry weight basis). The required frequency for sampling and analysis for lead concentration shall be at least one sample for every 200 cy of clean soil intended for use in soil remediation.

For borrow areas, AR will test soil for lead as it is moved into the project area or to a stockpile located outside the project area. The volume transported will be tracked over time, and one soil sample will be collected for lead analysis for every 200 cy moved from the borrow area.

For existing stockpiles not previously tested for lead, the surface area of the pile will be subdivided using a systematic grid pattern, with the grid areas sized to cover an area that corresponds to a volume of approximately 200 cy. Within each grid area, three subsamples will be collected, each one from a depth of 0 to 12 inches below the existing surface, and these three subsamples will be composited into a single sample representing that 200 cy volume of soil.

3.5.1.3 TRANSPORT AND DISPOSAL OF EXCAVATED SOIL

Soil removed from any property during remediation will be hauled to the Rico Soil Lead Repository for permanent disposal. The repository was designed for disposal of soil containing elevated lead concentrations ; materials other than soil will be removed from loads before hauling excavated soil to the repository.

The following requirements shall apply to routine transport and disposal of excavated soil at the Rico Soil Lead Repository:

- Soil transport and disposal conducted during Phase 1 will be performed by AR's contractor(s).
- During transport, excavated soils shall be covered or adequately wetted in the haul vehicle to prevent fugitive dust emissions. Each work area will have a dry decontamination (decon) area established to limit tracking of contaminated soil off the work area on vehicles. The established decon area will have poly tarp placed and secured, hard bristle hand brushes, a 30-gallon trash can, and will be separated from the work area by fence or caution tape.
- Vehicles may require washing of residual soil after disposal to limit dust emissions and tracking of soil from the repository into the Town of Rico. If so, AR contractor personnel will perform all washing activities at the Rico Soil Lead Repository.

3.5.1.4 POST-REMEDATION RESTORATION

Final reclamation of the clean soil surface will be designed to match the pre-remediation surface and cover conditions. Properties with pre-existing native vegetation will be seeded with native vegetation species, fertilized, and mulched. Existing lawns may be replaced with sod if requested by the property owner but native vegetation or zero scaping will be encouraged. Unpaved driveways and any erosion-prone areas of the yard will be capped with gravel or rock mulch (i.e., topsoil material with angular rock included to inhibit erosion). Lawn watering and maintenance of other types of reclamation vegetation will be the responsibility of the property owner. Existing irrigation systems, if any, will be re-installed.

3.5.2 SOIL REMOVAL AND REPLACEMENT PROCEDURES

The following procedures will be adhered to in the performance of soil removal and replacement activities undertaken for the VCUP project.

Scheduling

Each property owner will be given a minimum of one-week notification, in person or by phone, prior to scheduling soil removal and replacement work. AR will coordinate with the owner to accommodate reasonable requests for rescheduling planned soil remediation.

Typical Soil Removal

Soil will be removed from identified areas of a remediated property to a nominal depth of 12 inches, where practical, using equipment such as conventional trackhoes or backhoes, small Bobcat-type loaders or excavators, and hand tools. Special precautions and grading requirements will apply near structures/facilities and trees/shrubs. AR will haul excavated soils to the Rico Soil Lead Repository for disposal. AR will implement precautions to prevent fugitive dust emissions during excavation, which could include spraying water on the surface of the soil being excavated.

Shallow Bedrock and Very Coarse Soil

If during soil removal, bedrock or predominantly very coarse-grained (D50 > approximately 3 inches, and with less than approximately 10 percent minus U.S. Standard No. 10 sieve) natural colluvial or alluvial soils are encountered and cannot be excavated using standard heavy equipment mobilized for soil remediation, excavation may be terminated. In such cases, the 12 inches of clean soil may be achieved by placing borrow and/or growth media above pre-existing grade, as necessary. If clean soil is to be placed above pre-existing grade, the soil will be placed so as not to interfere with existing surface drainage patterns within the property. If necessary due to drainage considerations, AR will request permission from CDPHE to locally modify the 12-inch clean soil criterion.

Trees and Shrubs

The areal extent of soil removal will generally stop at the dripline of established trees and shrubs designated by the property owner to remain (as shown on the map/drawing in the ISWP), and soil removal will terminate at the drip line of trees and shrubs to protect these plantings. In the case of mature trees with especially large canopies with overhead clearance allowing easy potential access to children, excavation for removal will continue toward the trunk but at progressively shallower depth using small equipment and/or hand tools as necessary to avoid damage to shallow roots. Also, large roots will be avoided and worked around if encountered during excavation.

Near the dripline of shallow-rooted aspen trees and between trees in aspen groves, soil will be removed to an approximate depth of 2 inches, using special care to minimize damage (cuts, breaks) to the aspen roots. Areas characterized by very dense thickets of aspen trees that are judged not readily accessible to children will be left undisturbed. Such areas will be specifically noted on the ISWP prepared for the subject property.

Vegetable Gardens

Soil will be removed from vegetable gardens to an approximate depth of 18 inches using equipment such as conventional trackhoes or backhoes, small loaders or excavators, and hand tools. Eighteen inches of growth medium will be placed into the excavation area to re-establish the garden bed. AR will develop technical specifications for growth medium that are intended to support vegetation. The technical specifications will include suitability criteria described in Section 3.5.1.2.

Vegetable gardens will not be revegetated following placement of 18 inches of growth medium.

Protection of Existing Utilities, Structures/Appurtenances, and Other Improvements

Special consideration will be given to protection of septic systems, propane tanks and lines, other utilities, fences, retaining walls, concrete features (e.g., patios, sidewalks), sheds and outbuildings, and subsurface irrigation systems during all on-site cleanup activities. In order to protect existing utilities, the location of buried public utilities will be determined to the extent practicable by AR's remediation contractor prior to initiating any excavation (including calling the Utility Notification Center of Colorado at Colorado 811, if applicable). The locations of private buried utilities will be based on the property owner's description and site observations and confirmed as necessary by probing/test pits during

excavation. Should any damage to such features occur during the course of the remediation work, the damaged property will be repaired or replaced in kind by and at the expense of AR, without expense to the property owner.

Placement of a Visible Marker

Landscape fabric will be placed on the excavated subgrade surface of remediated areas of the property, except in the vicinity of aspen trees, on bedrock/coarse angular gravel/cobble subgrades, and on steeper slopes. The biologically inert and chemically resistant geotextile or geogrid will serve as a long-lasting visual marker indicating, for persons/entities performing any future excavations, that the base of the clean backfill soil has been reached.

In areas of nominal 2-inch soil removal around aspen trees, a lightweight but durable, woven, biaxial geogrid will be placed on the subgrade. The open aperture design of the geogrid permits some penetration by shallow aspen roots and is intended to minimize the potential for damage by cutting of the cambium by the geogrid during root growth. Geogrid will also be used where excessive damage to landscape fabric may occur during installation, and/or on steeper slopes where the geogrid will help stabilize the overlying clean soil against slippage.

Cover Soil Requirements and Surface Restoration

In areas disturbed by soil remediation, a suitable growth medium will be established by placing clean soil from an approved source (refer to Section 3.5.1.2). Organic amendments and/or fertilizer may be added to the soil if needed to meet the suitability criteria for growth media.

Together the backfill and any overlying final surface material (including rock mulch or aggregate, where used) will provide a minimum 12-inch-thick cover to minimize potential for human contact with any remaining subgrade soils with elevated lead concentrations. The cover materials will also provide suitable growth media for restoring and maintaining vegetation and ensure positive drainage consistent with pre-existing drainage patterns within the property. Backfill areas will be regraded such that when finished with the final cover material the area will blend with the surrounding topographic contours.

Where vegetable gardens are addressed during remediation, the backfill will consist of 18 inches of growth medium.

In areas of aspen trees, the backfill requirement is 4 inches of suitable growth medium.

Clean cover soil from the stockpile referred to in Section 3.5.1.2 in areas receiving new or native seed and vegetable garden areas will be appropriately prepared for revegetation. The method applied will be appropriate to the materials and site conditions. The objectives will be to promote adequate water retention and drought tolerance while minimizing excessive settlement.

In areas of vehicular traffic (i.e., parking areas and driveways) to be surfaced with a layer of coarse gravel or aggregate, the clean backfill will be compacted to its full depth prior to placement of the surface gravel or aggregate material.

Seeding

For areas of the property previously vegetated with native species, the soil surface will be prepared and revegetated with a native-seed mix. Two seed mixtures are specified to best match the pre-existing conditions in areas to be reclaimed by seeding. One mix (Type 1 – Native Lawn) is comprised of three or four native grass species for use in areas that are currently mowed, but where the property owner prefers not to place sod. The Type 1 revegetation will provide a more conventional lawn appearance, will be suitable for mowing if desired by the property owner, and will be more tolerant of natural precipitation versus frequent watering. The other mix is comprised of graminoids and forbs characteristic of native mountain meadow vegetation (Type 2 – Native Yard).

Mulching will be required only for areas of seeded revegetation with southern exposures that receive full sunlight. Mulch will meet the material, quality and application requirements in the Technical Specifications. Conventional (hay/straw) mulch or hydromulch will be used as appropriate to the site conditions.

Alternatively, at the discretion of the property owner, aggregate or rock mulch cover may be placed instead of revegetation with a native-seed mix.

Sod Placement

In instances where the development disturbs a previously established and maintained lawn, the property owner may elect to have certified weed-free lawn sod placed over new growth media/clean soil. The property owner may also choose for native seed mix, aggregate, or rock mulch cover to be placed instead of sod. If sod is selected, as indicated in the ISWP and agreed upon by the property owner before the start of soil remediation, the property owner will be responsible for initial and subsequent watering of newly placed sod. Watering for a minimum of 21 days following sod placement is recommended. If long-range weather forecasts indicate that the ground may freeze before 21 days has elapsed since sod placement, revegetation may be delayed until spring with the concurrence of the property owner and CDPHE. Sod will not be installed on properties that did not have a previously established and maintained lawn.

Aggregate and Rock Mulch Covers

A layer of coarse gravel or an aggregate cover may be used as the finished surface in areas of soil removal that were previously unvegetated, including driveways, parking areas, storage areas, foot paths, etc. At the discretion of the property owner, aggregate may also be placed as final cover to reclaim disturbed ground in areas that were previously vegetated with either maintained lawn or native species. Aggregate will be placed to a minimum depth of 3 inches over previously placed and compacted clean backfill.

Rock mulch, generally defined as predominantly coarse-grained natural soil not necessarily meeting all grading and durability requirements specified for aggregate, may be placed in disturbed areas that are not to be revegetated and are not subject to vehicular traffic. These may include storage areas, rock

gardens, etc. The decision to use rock mulch in a particular area will be made in consultation with the property owner and will be contingent upon the availability of materials meeting the rock mulch specifications. Minimum depth of rock mulch cover will be 3 inches or 1.5 D50 of the rock mulch, whichever is greater. A weed barrier consisting of a 6-mil polyethylene “greenhouse plastic” will be placed between rock mulch and the subgrade clean soils.

3.6 PROPERTY-OWNER STATEMENT OF COMPLETION

Upon completion of soil remediation activities at each individual property, the property owner will be asked to sign a Statement of Completion stating that remediation work has been completed in an acceptable manner and in accordance with the ISWP. AR will work to obtain a signed statement from each owner (or their designated representative). For each remediated property, AR will maintain the signed statement with the owner access agreement for soil remediation and the final or “as built” ISWP. These records will be made available to the Town of Rico and CDPHE.

4 REMEDIATION OF UNPAVED ROAD SEGMENTS

Detailed sampling of unpaved roads and alleys within the Town of Rico was performed in 2004 to characterize soil lead concentrations in road-surface materials. The basic sampling protocol involved collection of two subsamples from each block or road segment, with one sample collected approximately $\frac{1}{4}$ of the way along the length of the block and the other sample collected approximately $\frac{3}{4}$ of the way along the block. The two samples were then combined to create a composite sample. The lead concentration in the composite soil sample was analyzed using a laboratory-grade XRF instrument. In addition to the road samples, additional grab samples were collected from the non-vegetated right-of-way immediately adjacent to the road at locations where visual observations indicated the possible presence of mine waste.

Additional sampling of unpaved alleys and selected right-of-way areas was performed in 2008. Surface soil samples were collected from a depth of 0 to 2 inches bgs at two locations along the in-use portion of the alley approximately equally spaced from the center of the in-use reach. Lead concentrations were measured with a Niton 700 Series XRF instrument. Analyses were completed in accordance with EPA Method 6200. Sample preparation included drying followed by screening through a U.S. Standard No. 60 sieve. The material passing through the sieve (i.e., $< 250 \mu\text{m}$ diameter) were then analyzed for lead.

4.1 POTENTIAL RE-SAMPLING OF UNPAVED ROAD SEGMENTS

As indicated in Section 2.1, additional sampling may be necessary along previously sampled unpaved roads that have been disturbed since the original samples were collected in 2005 and 2008. Soil samples will be collected from the traveled surface of unpaved roads within each block identified as having been recently disturbed by the Town of Rico. Road segments will be identified for re-sampling in consultation with the Town of Rico and following review of the Town of Rico's records of road disturbances since the 2004 VCUP sampling activities.

The lead concentrations reported with any new samples collected from road segments in the project area will be reviewed to evaluate whether any updates to the scope of planned roadway remediation are warranted to address the most recent conditions.

4.2 PRELIMINARY SCOPE OF REMEDIATION

Road and alley segments with an average lead concentration in surface materials greater than the LAL are targeted for remediation, including the adjacent Town-owned, unvegetated right-of-way areas that also have surface-soil lead contents greater than the LAL. The lead concentrations of composite samples collected from the top 2 inches of road and alley surface materials are shown in a map view in Figure 9 of the VCUP Application. As shown on that map, most of the roads and alley areas with lead concentrations greater than the LAL are in the northeastern part of town.

Based on data collected in 2004 and 2008, it is estimated that 103,000 sq ft of traveled roadways, 45,800 sq ft of adjacent unvegetated, Town-owned right-of-way, and 4,600 sq ft of in-use alleys have lead concentrations above the LAL. Additional data collection is planned along some of the previously

sampled road segments, and the results of the additional sample analyses for lead will help refine this preliminary estimate of the total road length targeted for remediation.

The Residual Risk Analysis completed for the Rico Townsite Soils VCUP project in 2010 (Integral 2010) recommended that future soil remediation also address soil in the road right-of-way adjacent to the property assigned VCUP Lot Number 45. The recommended soil remediation at this location would also be performed as part of the larger road remediation task.

4.3 CONCEPTUAL DESIGN

The basic concept for remediation of lead concentrations exceeding the LAL in soil on unpaved roads, including any unpaved alleys used for routine access to residences, in the Town of Rico is as follows:

- 1) Excavate the upper 12 inches of roadway materials in the portions of the traveled way, adjacent unvegetated, Town-owned right of way, and in-use alleys with lead concentrations greater than the LAL.
- 2) Haul excavated materials for disposal to the Rico Soil Lead Repository or another suitable disposal location approved by CDPHE; spread and compact waste soils at the repository in accordance with original specifications.
- 3) Prepare excavated subgrade within the prior traveled way and in-use alleys by proof rolling as necessary.
- 4) Purchase or otherwise acquire suitable subbase and aggregate base course and haul to site.
- 5) Place and compact 8 inches of subbase (approved bank or pit run material with maximum particle size of 4 inches and attaining a minimum R-value of 50) within the traveled way and in-use alleys.
- 6) Place and compact 4 inches of Colorado Department of Transportation Class 6 Aggregate Base Course over sub-base within the traveled way and in-use alleys.
- 7) Place and compact 12 inches of subbase (approved bank or pit run material with maximum particle size of 4 inches and attaining a minimum R-value of 50) within the non-vegetated right-of-way.
- 8) Implement all applicable traffic and environmental controls (e.g., dust and construction period stormwater runoff) during the course of the work.

This remediation concept is based on performing only that work necessary to address the elevated lead concentrations in roadway/in-use alley materials. It is not intended to address any existing drainage, grade, lane width, curvature, sight distance, or similar roadway issues that are or may be locally present on Town of Rico streets.

It is assumed that base course and subbase materials will be imported from outside the Town of Rico. These materials must be tested or otherwise certified as having lead values less than 100 mg/kg.

Road remediation will be timed to take place after the installation of a central sewer system, or five years after the Town and AR execute a Funding Agreement for the VCUP project, if the installation of a central sewer system has not occurred by that time.

4.4 ROAD REMEDIATION WORK PLAN PREPARATION

Upon finalization of the scope of road and alley remediation, a Town contractor will prepare a Road Remediation Work Plan. The Road Remediation Work Plan will provide the final design details, including materials and equipment specifications, for road remediation conducted to reduce residents' exposure to lead. The scope of the design and construction work for roads and alleys will be consistent with the existing infrastructure and, where needed, existing structures (e.g., culverts) will be replaced in-kind.

The Road Remediation Work Plan will include detailed technical specifications for:

- removal of surface materials
- dust control/management of wastes
- transport and disposal of material removed from road segments
- clean backfill, road base, clean cover materials
- placement and compaction of road base and surfacing materials
- placement of clean backfill in non-vegetated rights of way
- drainage controls during construction
- post-construction drainage plan and specifications

AR and Town of Rico will work together with the Town contractor to finalize these specifications and produce the final Work Plan.

The Road Remediation Work Plan will also include a map of the road segments and any non-vegetated right-of-way areas where remediation is planned. That map will be prepared from the data represented on Figure 9 of the VCUP Application and any additional lead data obtained during the soil sampling and analysis activities completed in accordance with this Work Plan.



5 DATA MANAGEMENT, RECORD KEEPING, AND REPORTING

Standard data management and record-keeping protocols will be adopted during the VCUP activities described in this Work Plan to ensure that complete and accurate records of VCUP soil sampling and soil remediation activities are available for future reference by the Rico Soils Management Program and the Town of Rico.

5.1 ENVIRONMENTAL DATA MANAGEMENT

A key element of the VCUP project's data management process is maintenance of an electronic database to store relevant soil sampling data in a consistent and readily retrievable format. AR has prepared an electronic database for the existing VCUP soil data. During Phase 1, AR will maintain the existing electronic database of soil sampling results and remediation records for properties within the VCUP project area (i.e., within the Town of Rico). The database will be routinely updated as additional soil-lead data are collected and properties are remediated.

Once the Overlay Zone Regulations are in place, the Rico Soil Management Program will accept responsibility for the database, including all necessary updates and maintenance. This responsibility includes a commitment of the resources needed for secure data storage and backup, database updating, error correction, and other maintenance.

5.1.1 ELECTRONIC DATA MANAGEMENT PRACTICES

Sampling and property data are currently stored in an SQL Server database that is electronically linked to a GIS (ArcView™). Standardized data import formats and procedures are used to upload new data. Prior to incorporation of new data into the project database, the data and supporting documentation are subject to review to ensure the accuracy and completeness of original data records. Standardized parameter names, numerical formats, and units of measure are applied to the original information, as needed to facilitate comparability across all datasets and within the database.

Detailed records of soil sampling/analysis and remediation activities will be maintained for each property where Phase 1 work is conducted by AR. Data and other records associated with each of the participating properties will be entered into a central electronic database. Property-specific information will be tracked using its "VCUP Lot Number," a unique identification number assigned to each property in the Town of Rico.

5.1.2 DATABASE AND GIS SEARCH APPLICATION

A web-based GIS application has already been developed that retrieves property soil data and property remediation status for individually owned parcels within the Town of Rico. The key elements of that GIS application are as follows:

1. GIS layers

- a. Soil sample locations and lead data
- b. Parcel boundaries
- c. Town boundary

- d. Roads and highways
 - e. Surface hydrologic features
2. **Dynamic mapping capabilities**, allowing the user to:
 - a. Navigate around the map (pan, zoom in and out), as well as specific on-click map events.
 - b. Toggle the visibility of any of the individual GIS layers listed above.
 - c. Change the base map from a list of available options (imagery, topographic, or topo map).
3. **Searching and viewing tools** for access to soil-lead data and remediation status for individual parcels. Search by:
 - a. Street Address (partial addresses allowed; a list of matching addresses will be returned).
 - b. VCUP Lot Number (entered number must find an exact match in order to show a returned record).
 - c. Owner last name (entered name must find an exact match in order to show a returned record).
 - d. Map-click (user clicks on a parcel boundary, returned record displayed).
4. **Data and document retrieval** following a successful parcel search and selection. The following information will be displayed for the selected parcel:
 - a. A map image showing lead concentrations for each sample location and sampled depth interval.
 - b. Soil sample attributes:
 - Sample ID
 - Sample Date
 - Collection Depth (minimum and maximum depths)
 - Sample Lead Concentration (mg/kg)
 - c. Parcel attributes:
 - Dolores County Property ID Number (PIN)
 - VCUP Lot Number
 - Property Street Address
 - Recorded Owner Name
 - Town of Rico Zoning Classification
 - Development Status (Developed/Undeveloped)
 - Remediation Status (Remediated/Not Remediated)
 - Remediation Documents (associated with Parcel boundaries) are available for properties that have been remediated. A hyperlink to the associated records opens the Parcel's associated *.pdf file for review and/or downloading.
 - CDPHE's VCUP Determination (i.e., NADs and NFAs)

5.2 RECORD KEEPING AND REPORTING

5.2.1 REPORTS TO PROPERTY OWNERS

Property owners will be individually notified of the lead concentrations in soil samples collected from their properties. For each of the sampled properties, AR will prepare a final Soil Sampling Report that presents the soil sampling and analysis results. That report will provide the lead concentrations

associated with each soil sample collected on the property, along with descriptions of the sample date, depth, and location. These reports will be mailed to each property owner within 4 months of soil sampling at the subject property.

For owners of properties having soil lead concentrations above an action level, AR will develop an ISWP for each such property and will provide that plan as an attachment to the access agreement with the owner for review and acceptance. Once remediation has been completed, the property owner shall also receive a copy of the Completion Report prepared to document soil remediation activities.

Owners shall also be provided with copies of requests made to CDPHE for NADs and NFAs specific to their property.

5.2.2 PROPERTY RECORDS

AR will maintain all hard-copy records for an individual property within the project area in a single file, cross referenced by the VCUP Lot Number. Those records will include signed access agreements and attachments, field forms and data sheets, field notes and maps, laboratory analysis results, data quality review results, Completion Reports, and NADs/NFAs. CDPHE and the Town shall be permitted access to these hard-copy records upon request.

5.2.3 ANNUAL STATUS REPORTS

AR, and later the Rico Soil Management Program, will prepare a project-status report at the end of each calendar year. The purpose of these annual reports will be to document the work completed during the subject calendar year. Each annual report shall include the following elements:

- Summary of soil sampling activities, including numbers and types of properties where soil sampling was completed (i.e., type of property, any roadway segments, rights of way, and borrow areas or other clean soil sources).
- Soil sampling locations, by VCUP Lot Number, property address and x-y coordinates, and results of soil sample analyses for lead (i.e., samples collected from all property types and any samples collected from borrow areas or other sources of clean soil identified for use at remediated properties).
- Summary of sample analysis data quality and any corrective actions taken to address data quality concerns.
- List of properties identified where soil lead content exceeded the residential soil-lead action level.
- Lists of properties where ISWPs were prepared for soil remediation and properties where soil remediation was completed.
- Copies of ISWPs prepared, including notes regarding any “as built” modifications.
- Requests sent to CDPHE for NADs and NFAs, referenced by the VCUP Lot Number, and any determinations received from CDPHE.

Much of this information will be compiled from the VCUP project database and GIS. These reports will be prepared during the first quarter of the year following the subject calendar year, and each report will be maintained on file by AR, or later the Rico Soils Management Program, and the Town of Rico.

5.2.4 PROJECT RECORDS

The VCUP project records will be routinely updated and maintained by AR. These records, either electronic or hard copy in form, shall include:

- CDPHE-approved VCUP Applications and associated sampling and analysis plans and work plans, with any CDPHE-approved modifications, updates, and addendums
- Soil sampling field records
- Soil analysis laboratory records
- Correspondence from AR (or its representatives) to individual property owners, including signed access agreements and Soil Sampling Reports prepared for property owners
- Final “as built” ISWPs for individual properties and corresponding Construction Completion Reports.
- Requests to CDPHE for NADs, for each sampled property with soil lead < the LAL, and CDPHE’s final determination
- Requests to CDPHE for NFAs, for each remediated property, and CDPHE’s final determination
- Final Road Remediation Work Plan and related technical specifications for contractors
- Borrow soil/stockpile soil sampling and analysis records
- Rico Soil Lead Repository operations records indicating the volume of soil (in cy) transported to the from the project area for disposal

Hard-copy field and laboratory records shall be maintained chronologically for future reference. The electronic versions of these records are to be maintained on a central server system with backup scheduled on a daily basis.

AR will retain these records for future reference by the Rico Soils Management Program. These records will also be made available for the Town of Rico’s ongoing reference.

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FIGURES

FIGURE D-1 PREVIOUSLY SAMPLED AND REMEDIATED PROPERTIES

FIGURE D-2 SCHEMATIC SAMPLING PLANS FOR PROPERTIES $\leq 5,000$ SQ FT

FIGURE D-3 SCHEMATIC SAMPLING PLAN FOR PROPERTIES $> 5,000$ SQ FT AND ≤ 0.5 ACRE

FIGURE D-4 SCHEMATIC SAMPLING PLAN FOR AN UNDEVELOPED PROPERTY $> 5,000$ SQ FT AND ≤ 0.5 ACRE

FIGURE D-5 EXAMPLE SOIL REMEDIATION CONCEPTUAL DESIGN FOR A RESIDENTIAL PROPERTY

ATTACHMENT 1. PROPERTY ACCESS AGREEMENTS

Preparation of updated access agreements is currently in progress.

Request to Owner for Property Access to Perform Soil Sampling

Request to Owner for Property Access to Conduct Soil Remediation

ATTACHMENT 2. STANDARD OPERATING PROCEDURES

Refer to separate files transmitted with Draft Phase 1 VCUP Work Plan

Rico Land Use Code Appendix D Section D.1 Findings of Fact

- A. Background. In the Town of Rico (the “Town”) and the surrounding area, elevated levels of lead are present in the soil due to solid waste from past mining activities, as well as local geologic conditions that may lead to naturally-occurring elevated lead levels. The presence of elevated levels of lead has been described in a number of documents, including the Rico Townsite Soils Voluntary Cleanup Program (“VCUP”) application submitted by the Town and Atlantic Richfield Company and approved by the Colorado Department of Public Health and Environment (“CDPHE”) on [REDACTED], 2021 (the “VCUP Application”), pursuant to the Colorado Voluntary Cleanup and Redevelopment Act, § 25-16-301, C.R.S. There are two designated areas in the Town where elevated levels of lead and potentially other metals in soil may be present: the Rico Soils Overlay Zone District (“RSOZ”) and the Environmental Remediation Overlay Zone District (“EROZ”). These Environmental Overlay Zone Regulations (alternatively referred to hereinafter as the “Regulations”) primarily pertain to the RSOZ and remediation of lead soils contamination. The EROZ covers several non-contiguous areas within the Town boundaries, as listed in Section ___, that were subject to previous VCUP remediation efforts.
- B. Not Areas of State Interest. Except to the extent the boundaries of the RSOZ or EROZ overlap with properties of an area designated as an Area of State Interest in Article VIII of the Rico Land Use Code (“RLUC”), properties within the RSOZ or EROZ shall not be considered Areas of State Interest. To the extent a development activity covered by these Regulations is proposed for properties within an area designated as an Area of State Interest, the provisions in the RLUC relating to Areas of State Interest shall be separate from, and apply in addition to, the requirements provided for in these Regulations.
- C. Environmental Overlay Zone Regulations Are Additional. These Regulations are in addition to any other applicable requirements of the RLUC.
- D. Non-Liability of the Town of Rico. These Regulations shall not be construed to hold the Town or any of its employees, officials, or designees, acting within the scope of their employment, responsible or liable for any damages to persons or property resulting from: any inspection, enforcement, or review, or failure to inspect, enforce, or review as required by these Regulations; the issuance or denial of any permit pursuant to or in accordance with these Regulations; or the institution or failure to institute any court action as authorized or required by these Regulations. In enacting these Regulations, the Town intends to preserve all rights of the Town, its agencies and departments, and its elected and appointed officials, employees, and designees to immunity from liability as set forth in the Colorado Governmental Immunity Act, §§ 24-10-101, C.R.S., *et seq.*, and any other applicable law, regulation, or standard.

Rico Land Use Code Appendix D Section D.2 General Provisions

- A. Lands to Which Environmental Overlay Zone Regulations Apply. Sections ___ – ___ of these Regulations shall apply to all lands situated in the overlay zone known as RSOZ. For lands located within the overlay zone known as EROZ, Sections ___, ___, and ___ shall apply.

- B. Definitions. The following terms, as used throughout these Environmental Overlay Zone Regulations, shall have the meanings set forth below. Where there is a conflict between the definitions set forth below and the definitions set forth in Article I of the RLUC, the definitions below shall prevail for purposes of these Regulations only.
1. Action Level(s): Action Level(s) shall mean the site-specific, human health risk-based, concentration levels of lead in soil that will be selected and adopted by CDPHE, with concurrence from the U.S. Environmental Protection Agency, for soil remediation performed as part of Rico Townsite Soils VCUP project.
 2. Application. Application shall mean an application submitted under these Regulations requesting a Soils Excavation Permit, as that term is defined below.
 3. CDPHE. CDPHE shall mean the Colorado Department of Public Health and Environment.
 4. Cleanup Completion Certification. Cleanup Completion Certification shall mean a determination by the Town issued pursuant to Section ____ of these Regulations.
 5. Cleanup Completion Report. Cleanup Completion Report shall mean a report prepared and submitted by a Developer as required by Section ____ of these Regulations.
 6. Development Activity. Development Activity shall mean any manmade change in the use or character of land that involves or results in construction, grading, excavation, digging, demolition, drilling, planting, placing Non-Native Fill, landscaping, or other similar activities that disturb or move soils.
 7. Developer. Developer refers to the property owner, or other person or entity acting on the property owner's behalf, engaged in a Development Activity.
 8. Disturbed Native Soils. Disturbed Native Soils are Native Soils that have been significantly disturbed by prior activities (e.g., regrading).
 9. Environmental Officer. Environmental Officer refers to the Town Manager or the Town Manager's designee for the purposes of administering these Regulations and issuing Soils Excavation Permits.
 10. Environmental Remediation Overlay Zone District ("EROZ"). Environmental Remediation Overlay Zone District means the sites listed below within Town boundaries that (i) received a VCUP No Further Action Determination on December 10, 1999, from CDPHE pursuant to the state VCUP program, (ii) were otherwise remediated under CDPHE oversight, or (iii) nonetheless warrant inclusion within the EROZ due to unique environmental conditions on the property. These properties are depicted in Figure 1 and are defined as follows:
 - a. Columbia Tailings Site, CDPHE VCUP Site No. 30, located on the east side of the Dolores River corridor west of Highway 145 and Rico townsite Blocks

11 and 39, in portions of E1/2 of the NE1/4 of the SE1/4 of Section 35, and the NW1/4 of the NW1/4 of the SW1/4 of Section 36, T40N, R11W, NMPM, Dolores County, within portions of the following land tracts: Tremble Tract, Winkfield Tract East, and Town of Rico tracts (bounded on west by Winkfield Tract East and Tremble Tract, and on the east by Blocks 11 and 39).

Approximately 3.3 acres.

- b. Grand View Smelter Site, CDPHE VCUP Site No. 40, located on the east side of State Highway 145 at the north end of the Town of Rico in the middle of the SW1/4 of the SW1/4 of Section 25, T40N, R11W, NMPM, Dolores County, comprising portions of the following patented mine claims: Columbia Millsite (Patent No. 10202, Mineral Survey No. 365B), and Homestake & Little Cora Consolidated Placer (Patent No. 14903, Mineral Survey No. 410). Approximately 1.7 acres.
- c. Santa Cruz, Iron Clad, and Rico Boy Mines Site, CDPHE VCUP Site No. 36, located on the west side of the Dolores River Corridor, south of west Rico townsite Blocks 34 and 36, in a portion of N1/2 of the NE1/4 of the SE1/4, and the NW1/4 of the SE1/4 of the SE1/4 of Section 35, T40N, R11W, NMPM, Dolores County, comprising portions of the San Juan Nation Forest, R.G.S. “Y” Tract, Winkfield Tract, Winkfield Tract West, A.E. Arms Tract North, and Max Boehmer Tract, and portions of the following patented mine claims: Iron Clad (Mineral Survey No. 865), Santa Cruz (Patent No. 25864, Mineral Survey No. 6132), Hardscrabble (Patent No. 27326, Mineral Survey No. 8070), and Burchard (Patent No. 27326, Mineral Survey No. 8070). Approximately 5 acres.
- d. Silver Swan Mine Site, CDPHE VCUP Site No. 22, located on the west side of the Dolores River corridor in the southwest portion of the Rico townsite in a portion of the S1/2 of the SE1/4 of the SE1/4 of Section 35, T40N, R11W, NMPM, Dolores County, comprising portions of the A.E. Arms Tract North, A. E. Arms Tract, F.G. Day Tract, A.E. Arms Tract South, and R.G.S. R.O.W. South. Approximately 4 acres.
- e. Silver Swan Mine East Wasterock Pile Site, located on the east side of the Dolores River corridor west of the historic Rio Grande Southern railroad grade, in portions of the SE1/4 of the SE1/4 of the SE1/4 of Section 35, T40N, R11W, NMPM, Dolores County, within portions of the following land tracts: F.G. Day Tract and R.G.S. R.O.W. South; materials from the site were consolidated to the Columbia Tailings Site, CDPHE VCUP Site No. 30. Approximately 0.1 acre.
- f. Pro Patria Mill Tailings Site, located on the east side of the Dolores River corridor east of the historic Rio Grande Southern railroad grade, west of River Street, and southwest of the west end of Mantz Avenue (where the historic Pro

Patria mill was located), in portions of the E1/2 of the E1/2 of the NE1/4 of Section 35 and SW1/4 of the NW1/4 of the NW1/4 of Section 36, T40N, R11W, NMPM, Dolores County, within portions of the following land tracts: R.G.S. Tract, Roy's Tract, and Block 28, Lots 3-4 and west 80 feet of Lots 5-20; materials from the site were consolidated to the Columbia Tailings Site, CDPHE VCUP Site No. 30. Approximately 2 acres.

- g. Van Winkle Mine Site, Van Winkle Subdivision (recorded plat at Reception No. 157374), Lot 2 and Lot 3, Rico, Dolores County.
 - h. East Shamrock Mine Wasterock Pile Site, located north of the Pro Patria Mill Tailings Site on the east bank of the Dolores River, approximately ½ mile north of the Columbia Tailings Site; materials from the site were consolidated to the Columbia Tailings Site, CDPHE VCUP Site No. 30.
- 11. Excavated Soils. Excavated Soils shall mean soils (including Surface Soils and underlying soils) disturbed at, or excavated from, the property during a Development Activity.
 - 12. Existing Soils Cover. Existing Soils Cover shall mean a Soils Cover that has been installed over a geotextile fabric or other cover that meets the requirements of Section ___, the placement of which is documented in soil remediation records maintained by the Town under these Regulations.
 - 13. Mine Waste. Mine Waste shall mean solid waste materials resulting from mining, milling, smelting or processing operations, including, without limitation, waste rock, ore, and tailings, which are visibly distinctive in appearance (color and texture) as compared to the surrounding Native Soil, unless testing shows the material does not contain lead at a concentration greater than the Residential Use Action Level using the analytical procedures set forth in Section ___.
 - 14. Native Soils. Native Soils shall mean naturally occurring soils (not imported fill or landscaping materials) that exist at the property subject to the Development Activity prior to the Development Activity that have not been significantly disturbed in the past (e.g., regraded).
 - 15. Non-Native Fill. Non-Native Fill shall mean soils from a location other than the property subject to the Development Activity.
 - 16. Non-Residential Confirmation: Non-Residential Confirmation shall mean a determination by the Town issued pursuant to Section ___ of these Regulations for a Non-Residential Use property with lead soil concentrations below the Non-Residential Use Action Level. A Non-Residential Confirmation issued pursuant to Section ___. is separate and independent from a VCUP No Action Determination as defined in Section ___.

17. Non-Residential Use. Non-Residential Use shall mean Development Activity or other use of a property that is subject to zoning restrictions prohibiting Residential Use (e.g., Public Facilities and Open Space parcels), as provided in the RLUC. The Non-Residential Use Action Level applies to soil on Non-Residential Use properties.
18. Open Space. Open Space shall mean an area of one or more parcels that is zoned as an Open Space Zone District as defined in the RLUC, Article II § 290.
19. Planned Unit Development. Planned Unit Development shall have the meaning stated in § 24-67-103(3), C.R.S., and shall include, without limitation, any Development (as defined in Article IX, Section 910 of the RLUC) within a Residential Planned Unit Development District or a Commercial Planned Unit Development District in the Town of Rico, as such terms are used and defined in Articles II, III, and VIII of the RLUC.
20. Residential Confirmation: Residential Confirmation shall mean a determination by the Town issued pursuant to Section ___ of these Regulations for a Residential Use property with lead soil concentrations below the Residential Use Action Level. A Residential Confirmation issued pursuant to Section ___. is separate and independent from a VCUP No Action Determination as defined in Section ___.
21. Residential Use. Residential Use shall mean any development on property where zoning allows Residential Use, as provided in the RLUC. The Residential Use Action Level applies to soil on Residential Use properties. Per the RLUC, Residential Use is allowed in all zoning districts except for “Public Facilities” and “Open Space.”
22. Rico Soils Lead Repository or Repository. Rico Soils Lead Repository or Repository shall mean the soil lead repository located approximately 0.75 miles north of Rico and adjacent to the St. Louis Tunnel portal in the NW1/4 of Section 25, T40N, R11W in Dolores County, and operated under the Certificate of Designation issued by Dolores County on October 24, 2005.
23. Rico Soils Overlay Zone District (“RSOZ”). Rico Soils Overlay Zone District shall mean the area delineated on Figure 1 as the RSOZ but excluding the area delineated as the EROZ. Properties not contained within the RSOZ as of the Effective Date of these Regulations shall not be subsequently added to the RSOZ.
24. Soils Excavation Permit. Soils Excavation Permit shall mean a soils excavation and grading permit approved by the Environmental Officer pursuant to these Regulations.
25. Soils Cover. Soils Cover shall mean a cover consisting of natural earthen or other material that meets the requirements of Section ___ placed over contaminated soils or material to encapsulate, immobilize, and eliminate surface exposure of such soils and material.

26. Subdivision. Subdivision shall mean the subdivision activities listed in Article V, Section 506.1 of the RLUC, and any other division of land within the Town of Rico into two or more lots, tracts, sites, parcels, separate interests, interests in common, or other division that is subject to the Rico Subdivision Regulations, as defined in Article V, Section 506.1 of the RLUC.
27. Surface Soils. Surface Soils shall mean earthen material found in the top twelve (12) inch soil layer. Where Surface Soils are either Native Soils or Disturbed Native Soils or Non-Native Fill comprising a depth of at least twelve (12) inches, soil samples collected from the top two (2) inches of the soil layer shall be considered representative of Surface Soils for the purpose of characterizing the soil lead concentrations. Where Surface Soils are Disturbed Native Soils or Non-Native Fill comprising a depth of less than twelve (12) inches, soil samples collected from the top two (2) inches of the soil layer may be considered representative of Surface Soils on a case-by-case basis in consultation with the Environmental Officer.
28. VCUP No Action Determination (“VCUP NAD”). VCUP NAD shall mean a property-specific determination made by CDPHE pursuant to the Colorado Voluntary Cleanup and Redevelopment Act, § 25-16-307, C.R.S., that remediation of the property is not necessary to protect human health and the environment in light of the current or proposed use of the property, because sampling performed in accordance with these Regulations demonstrates that lead in soil does not exceed the applicable Action Level. A VCUP NAD also means CDPHE written concurrence with a Residential or Non-Residential Confirmation obtained from the Town pursuant to Section ___ of these regulations, when the property owner (or property owner’s representative) submits a no action petition to CDPHE pursuant to § 25-16-307, C.R.S. Consistent with Section ___ of these Regulations, Development Activities on properties for which a prior VCUP NAD has been made are exempt from these Regulations, provided that, (i) no exposed Mine Waste is encountered on the property; and (ii) for Non-Residential Use properties, there has not been a change in the zoning of the property from Non-Residential Use to Residential Use since issuance of the VCUP NAD.
29. VCUP No Further Action Determination (“VCUP NFA”). VCUP NFA shall mean a property-specific determination made by CDPHE pursuant to the Colorado Voluntary Cleanup and Redevelopment Act, § 25-16-307, C.R.S., that soil remediation performed and maintained in accordance with a Soils Excavations Permit issued by the Town pursuant to these Regulations is adequate to protect human health and the environment in light of the current or proposed use of the property, where the surface soil-lead concentrations were above the applicable Action Level before the Development Activity, and the property owner (or property owner’s designated representative) has requested, and received, the determination after the Effective Date of these Regulations. VCUP NFA shall also mean a property-specific determination by CDPHE issued pursuant to § 25-16-307, C.R.S., prior to the Effective Date of


these Regulations for soil remediation performed on a property in accordance with a CDPHE-approved VCUP application that resulted in a prior VCUP NFA.

Development Activities on properties for which a prior VCUP NFA has been made remain subject to these Regulations.

- C. Town Approval. Unless exempt under these Regulations, any Development Activity within the RSOZ shall require (a) prior approval by the Town of a Soils Excavation Permit; or (b) a Residential or Non-Residential Confirmation issued by the Town pursuant to Section ___ of these Regulations. A Residential or Non-Residential Confirmation under these Regulations will apply to subsequent development activities at the property, unless the provisions of Section ___ provide otherwise.
- D. Residential or Non-Residential Confirmations. A Residential or Non-Residential Confirmation under these Regulations shall mean that the property or portion of the property for which the Confirmation is obtained is exempt from the requirement to obtain a Soils Excavation Permit. However, a Non-Residential Confirmation will no longer apply if the zoning on the property changes to allow Residential Use (subject to applying for and receiving a Residential Confirmation following the change in use). Additionally, properties that receive Residential and Non-Residential Confirmations shall remain subject to the Mine Waste management provisions of Section ___ of these Regulations if exposed Mine Waste is encountered on the property during a Development Activity. A Residential or Non-Residential Confirmation under these Regulations may be obtained under the following circumstances and with the following conditions:
1. **For Developments on Residential Use Property Less than 5,000 Square Feet:** If the lead concentration in each composite sample collected from Surface Soils at the property is below the Residential Use Action Level based on soil sampling conducted pursuant to the procedures established in Section ___, then the Developer may apply for a Residential Confirmation.
 2. **For Developments on Residential Use Properties Greater than 5,000 Square Feet:** If the lead concentration in each composite sample collected from Surface Soils at the property is below the Residential Use Action Level based on soil sampling conducted pursuant to the procedures established in Section ___, then the Developer may apply for a Residential Confirmation. If sampling has been or is conducted on only the portion of the property that is developed or is to be developed, and the lead concentration in each composite sample collected from Surface Soils in that portion of the property is below the Residential Use Action Level based on soil sampling conducted pursuant to the procedures established in Section ___, then the Developer may apply for a Residential Confirmation for that portion of the property. The Residential Confirmation will not apply to any other portion of the property.
 3. **For Developments on Non-Residential Use Property Less than 5,000 Square Feet:** If the lead concentration in each composite sample collected from Surface Soils at the property is below the Non-Residential Use Action Level based on soil sampling

conducted pursuant to the procedures established in Section ___, then the Developer may apply for a Non-Residential Confirmation. However, the Non-Residential Confirmation will no longer apply if there has been or will be a change in zoning of the property to allow Residential Use (subject to applying for and receiving a Residential Confirmation following the change in use).

4. **For Developments on Non-Residential Use Property Greater than 5,000 Square Feet:** If the lead concentration in each composite sample collected from Surface Soils at the property is below the Non-Residential Use Action Level based on soil sampling conducted pursuant to the procedures established in Section ___, then the Developer may apply for a Non-Residential Confirmation. If sampling has been or is conducted on only the portion of the property to be developed, and the lead concentration in each composite sample collected from Surface Soils in that portion of the property is below the Non-Residential Use Action Level based on soil sampling conducted pursuant to the procedures established in Section ___, then the Developer may apply for a Non-Residential Confirmation for that portion of the property. The Non-Residential Confirmation will not apply to any other portion of the property. Additionally, the Non-Residential Confirmation will no longer apply if there has been or will be a change in zoning of the property to allow Residential Use (subject to applying for and receiving a Residential Confirmation following the change in use).
 5. **Recording:** A Residential or Non-Residential Confirmation shall be signed by the Environmental Officer and filed with the Town within five (5) business days after the Environmental Officer's issuance of the Residential or Non-Residential Confirmation. The Developer may elect to record the Residential or Non-Residential Confirmation in the Dolores County Clerk and Recorder's Office.
- E. Activities Exempt from Regulations. The following Development Activities are hereby exempt from review and application of these Regulations, except that if Mine Waste is encountered in the course of a Development Activity in the RSOZ, the Developer shall comply with Section ___:
1. A discrete event of excavation/grading/digging/filling, not associated with a larger plan for development, resulting in a disturbance of less than a total of **one cubic yard** of soil associated with the Development Activity, provided that this exemption does not apply to any excavation the purpose of which is to install, relocate, or repair underground utilities;
 2. Installation, repair or relocation of fences and porches;
 3. Excavation for the sole purpose of conducting soil sampling and other soils testing, provided that this exemption does not apply to test pitting for the purposes of soil sampling if the excavation disturbs greater than one cubic yard of soil;
 4. Excavation for the sole purpose of conducting soil testing for septic tanks on undeveloped properties;

5. Excavation/grading/digging/filling required to address an emergency situation, including, without limitation, broken or frozen plumbing fixtures, provided that the Environmental Officer concurs that an emergency exists, that the Developer complies with these Regulations to the maximum extent practicable under the circumstances, and that the Developer complies fully as soon as the emergency has passed, including by complying with the remedial standards in Section ____; and
 6. Development Activities on properties where testing has confirmed that lead concentrations in Surface Soils do not exceed the applicable Action Level, and either (i) the Town has made a Residential or Non-Residential Confirmation consistent with Section ____ of these Regulations, or (ii) a prior VCUP NAD has been made and remains in effect.
- F. Phase 1 VCUP Remediation Exempt from Regulations. The Phase 1 VCUP  remediation work performed by Atlantic Richfield Company, pursuant to Section 6 and Appendix D of the VCUP Application shall be exempt from review and application of these Regulations.
- G. Failure to Obtain Prior Approval. The following are deemed a violation of this RLUC and shall be punishable in accordance with Article I: (a) the commencement of any Development Activity not exempted by Section ____ within the RSOZ prior to review and approval by the Town; and (b) the failure to comply with Section ____ for any property within the EROZ.
- H. Failure to Obtain or Comply with Soils Excavation Permit or File Required Cleanup Completion Report. Any failure to obtain a Soils Excavation Permit when so required, to comply with a Soils Excavation Permit that has been obtained, or to file a Cleanup Completion Report required pursuant to Section ____ is hereby deemed a violation of this RLUC and shall be subject to the enforcement provisions of the RLUC, including but not limited to provisions in Article I.
- I. Prohibition on Creation of Nuisance. Partial completion of work covered by an approved Soils Excavation Permit can in some instances create a nuisance pursuant to Ordinance Number 277. The creation of such nuisance is hereby prohibited.
- J. Failure to Perform and Report Required Testing. It is illegal and a violation of these Regulations to falsify or fail to disclose to the Town any test results required by these Regulations.
- K. Persons Liable. The owner, tenant, or occupant of any building or land or part thereof and any builder, agent, or other person who participates in, assists, directs, creates, or performs any Development Activity without first performing the requirements of these Regulations may be held responsible for the violation of these Regulations and subject to the enforcement provisions of the RLUC.
- L. Duration of Soils Excavation Permit. Soils Excavation Permits issued under these Regulations shall be valid for a period not to exceed one year, unless renewed by the Environmental Officer.

- M. Transfer of Soils Excavation Permit. A Soils Excavation Permit is not transferable to a subsequent owner unless the subsequent owner expressly agrees to transfer of the permit into his or her name in writing and obtains written consent of the Environmental Officer for such transfer.
- N. Effective Date of Regulations. These Regulations shall take effect upon adoption by the Town Board of Trustees, and shall only apply to Applications filed pursuant to Section ____ after the Effective Date.
- O. Consultation to Amend. Prior to the Town considering any amendment to these Regulations, the Town shall consult with CDPHE and shall incorporate such requirements as CDPHE may recommend to ensure these Regulations continue to protect human health and the environment.
- P. Lack of Third Party Enforcement Rights. The enforcement of these Regulations is within the discretionary police power of the Town of Rico, and these Regulations are not intended to, nor do they, create a third-party right of enforcement; provided, however, that these Regulations are directly enforceable by CDPHE, pursuant to the Intergovernmental Agreement between CDPHE and the Town of Rico.
- Q. Water Quality Issues Not Addressed. These Regulations do not address water quality issues, and it remains the responsibility of the Developer to comply with state and federal requirements with respect thereto.

Rico Land Use Code Appendix D Section D.3 Reviewing Entity

- A. Environmental Officer. The Town Manager is the representative of the Town for purposes of administering these Regulations and shall be responsible for issuing Soils Excavation Permits under these Regulations. The Town Manager shall be referred to as the “Environmental Officer” in this capacity. The Town Manager may, with consent of the Board of Trustees, designate another person to serve as the Environmental Officer for purposes of these Regulations or to fulfill certain tasks for which the Environmental Officer is responsible under these Regulations. Such designation shall remain in effect until revoked by the Town Manager or Board of Trustees, with or without cause.

Rico Land Use Code Appendix D Section D.4 Application Requirements

Before commencing any non-exempt (with exempt activities being those specified in Section ____.) Development Activity within the RSOZ, the Developer shall prepare and submit an application in hard copy and in electronic format to the Town, for review by the Environmental Officer, containing the following information:

- A. Existing Soil Sampling Data. The Developer shall submit with the application all existing soil sampling data reasonably available to the Developer for the subject property and/or any information regarding the presence of Disturbed Native Soils, Non-Native Fill materials, and/or an Existing Soils Cover at the subject property. The source of soil data shall be identified. The Developer shall consult with the Environmental Officer regarding the

availability of existing data before submitting an application, so that all existing data, including soil data collected to support VCUP projects within the Town of Rico, is provided in the application.

- B. New Soil Sampling Data. If the existing soil sampling data for the property do not meet the standards for soil sampling set forth in Section ___, or conditions on a site have changed such that existing soil sampling data are no longer representative, then the Developer shall submit new soil sampling data that meet the standards of Section ___. The Environmental Officer may also determine upon review of the application that more data are desired to assess soil or fill conditions or to facilitate the development of the property for the proposed use, in which case the Developer shall resubmit the application with the required soil sampling data.
- C. Soil Sampling Data Must Be Submitted with Application. The Developer shall submit the required sampling data, whether existing or new, with the Application, regardless of whether the Developer proposes to place Non-Native Fill, use Disturbed Native Soils, or retain the Native Soils following the Development Activity. Submission of sampling data for an Existing Soils Cover is not required.
- D. Description of Proposed Use. The Developer shall describe the proposed use of the property and identify whether the proposed use qualifies as a Residential Use, Non-Residential Use, or Open Space pursuant to these Regulations and the zoning provisions of the RLUC.
- E. Description of Proposed Development Activity. The Developer shall describe the proposed Development Activity, including a narrative statement, site plan, description of area and depth of any excavation or fill placement, extent of any grading, and the time frame for the Development Activity. To the extent stockpiling of soils is planned during the Development Activity, the Developer shall specify the means of protecting the stockpile and the planned duration of the proposed stockpiling. If placement of a Soils Cover is an element of the Development Activity, the Developer shall specify the source of the Soils Cover material to be used and the means by which that cap shall be placed and maintained.
- F. Authorization for VCUP Representation. In an application submitted pursuant to these Regulations, the Developer may, if it has not already done so, authorize the Town and Atlantic Richfield Company to act as its VCUP representative for purposes of obtaining a VCUP NFA from CDPHE upon completion of a Development Activity performed in accordance with these Regulations.

Rico Land Use Code Appendix D Section D.5 Application Review and Determinations

- A. Application Review. The Environmental Officer shall review the application to determine: (1) whether the required information is contained in the application; (2) whether a Soils Excavation Permit is in fact required for the specific property and Development Activity at issue; (3) if soil sampling data is required for the specific property and Development Activity, whether sufficient data that meets the standards for soil sampling set forth in Section ___ has been submitted; (4) whether the Developer has requested a conditional Cleanup Completion Certification for the Development Activity pursuant to Section ___; and

(5) whether the Developer has requested a Residential or Non-Residential Confirmation pursuant to Section _____. If the required information has been submitted, the Environmental Officer may: (1) approve the application and issue the Soils Excavation Permit; (2) issue a conditional Cleanup Completion Certification; (3) issue a Residential or Non-Residential Confirmation; or (4) deny the application. If the application is denied, the Environmental Officer shall state in writing the reason for the denial.

- B. Cleanup Completion Report. For any Development Activity subject to an approved Soils Excavation Permit, the Developer shall prepare and submit a Cleanup Completion Report to the Town once the work as described in the approved Soils Excavation Permit is complete. The Cleanup Completion Report shall set forth: a legal description of the site; a description of the nature of the site, lead concentrations in Surface Soils, and date of soil sample collection and analysis for lead; documentation of the location, quantity and date that soils with elevated lead concentrations were removed from the site; and shall include as an attachment the Soils Excavation Permit approved by the Town. If the Developer has removed soil from the property, the Developer shall provide documentation that the soil was properly disposed of pursuant to this Appendix D of the RLUC.
- C. Cleanup Completion Certification. Based on the information provided in the Cleanup Completion Report, the Environmental Officer shall either issue a Cleanup Completion Certification for the Development Activity or decline to issue a Cleanup Completion Certification and provide conditions that need to be met to obtain a Cleanup Completion Certification. At its sole discretion, the Environmental Officer may require an inspection of the property to determine whether the information provided in the Cleanup Completion Report is accurate before issuing or declining to issue a Cleanup Completion Certification. The Cleanup Completion Report shall be signed by the Environmental Officer and filed with the Town within five (5) business days after the Environmental Officer's issuance of a Cleanup Completion Certification. The Developer may also record the Cleanup Completion Report and Cleanup Completion Certification in the Dolores County Clerk and Recorder's Office.
- D. Conditional Cleanup Completion Certification. A Cleanup Completion Certification may be issued conditionally when the conditions outlined in Section _____ of these Regulations are met. The Environmental Officer may include appropriate conditions in a conditional Cleanup Completion Certification, including but not limited to the conditions that the Development Activity not disturb soils below an Existing Soils Cover and the Existing Soils Cover will be repaired as part of the Development Activity. After completion of the Development Activity and a successful inspection by the Environmental Officer to ensure that the requirements of Section _____. are met, the Environmental Office shall make the conditional Cleanup Completion Certification final rather than conditional, and the Cleanup Completion Certification may be recorded in the Dolores County Clerk and Recorder's Office.
- E. Appeals. A Developer may appeal any final decision by the Environmental Officer as to the issuance or denial of a Soils Excavation Permit, Residential or Non-Residential

Confirmation, or Cleanup Completion Certification. The Developer may appeal the decision of the Environmental Officer to the Board of Trustees by filing a notice of appeal with the Town Clerk within thirty (30) days of the Developer's receipt of the final decision by the Environmental Officer. The appeal to the Board of Trustees shall proceed in accordance with the provisions set forth in Article V, Section 516 of the RLUC.

Rico Land Use Code Appendix D Section D.6 Standards for Soil Sampling

The following requirements and guidelines shall govern all environmental testing and sampling performed under these Regulations:

- A. Existing Soil Sampling Data. A Developer may use existing soil sampling data to satisfy Soils Excavation Permit requirements if the number and types of samples collected and the laboratory analyses conducted meet the standards in this Section ____.
- B. Approved Sampling Contractors. All sampling and analysis must be performed by a qualified contractor, and the conformance of all sampling and analysis with the standards set forth in this Section ____ must be certified by a Professional Engineer ("P.E.") registered and licensed in the State of Colorado or a Professional Geologist ("P.G.") meeting the requirements of § 23-41-208(1)(b), C.R.S. The proper chain of custody shall be maintained and documented for all samples collected for the property. All samples undergoing laboratory analysis shall be submitted to a CDPHE-approved or EPA-certified laboratory qualified to perform metals analysis in a solid matrix.
- C. Analytical Procedures. All samples to be analyzed for lead content will be sieved through a U.S. Standard No. 10 mesh sieve. If any sample has less than 5 percent passing the No. 10 sieve it should be discarded and not processed further for metals analysis. Soil samples shall be analyzed for lead using laboratory-grade x-ray fluorescence (XRF) or using inductively coupled plasma (ICP). Analytical methods shall conform to the then-current procedures prescribed in EPA's Test Methods for Evaluating Solid Waste, Physical / Chemical Methods, SW-846, as amended, or an equivalent method approved by the Environmental Officer.
- D. Minimum Number of Samples. Within each sampling sector established pursuant to Section ____, soil samples will be collected from a depth of 0 inches to 2 inches (below the base of any sod or root mat that may be present) at five randomly selected locations. The five surface samples collected from within each sector should be of similar size and composited into a single sample for analysis for that sector. Soil samples should not be collected from locations where Mine Waste material is observed or from the drip zone of buildings (four feet from the edge of a building) to avoid lead paint contamination. If any areas of the sampling sector include areas from which Mine Waste has been removed, one of the samples should be collected from that area.
- E. Number and Division of Sampling Sectors. When soil sampling data are collected, whether before or after development, adherence to the following sampling plans is required:
 - 1. **For Properties Less than 5,000 Square Feet**: Properties less than or equal to 5,000 square feet in total area will be divided into at least two sampling areas, excluding

buildings, pavement, or other permanent caps over the soil. A minimum of two composite samples (comprised of five subsamples each), one each from the front yard and back yard (and side yard if substantial), plus a separate sample for each distinct driveway, vegetable garden, and play area, if present, will be collected.

2. **For Non-Residential Use Properties Greater than 5,000 Square Feet and Less than 0.5 Acre:** The property shall be divided into a minimum of four (4) sampling sectors not to exceed 5,000 square feet in size (excluding buildings, pavement, or other permanent caps over the soil that cannot be removed by hand to expose the underlying soil). If only a portion of such property is to be developed, the Developer may: (i) subdivide the property subject to provisions in the RLUC and complete the sampling only on the portion of the property that will be developed; or (ii) sample a 100-foot radius (“Sampling Radius”) around the area affected by the Development Activity and, when submitting a Cleanup Completion Report to the Town per Section ___, provide clear documentation of the portions of the property that have and have not been sampled and remediated. If the resulting Subdivision or Sampling Radius results in an area greater than 5,000 square feet, it shall be divided into sampling sectors as described in this sub-paragraph. If the resulting Subdivision or Sampling Radius results in an area less than 5,000 square feet in size, it shall be divided into two (2) sampling sectors based on the criteria in Section ___. Once the sampling sectors have been defined, the procedures established in Section ___ shall be followed for each sampling sector. A separate sample will also be collected for each distinct driveway, vegetable garden, and play area, if present. This section does not create any additional rights for creating a Subdivision, and any Subdivision must comply with all other applicable requirements of the RLUC for obtaining the Subdivision approval.
3. **For Residential Use Properties Greater than 5,000 Square Feet and Less than 0.5 Acre:** The property shall be divided into a minimum of four (4) sampling sectors not to exceed 5,000 square feet in size (excluding buildings, pavement, or other permanent caps over the soil that cannot be removed by hand to expose the underlying soil). If only a portion of such property is to be developed, the Developer may (i) subdivide the property subject to provisions in the RLUC; or (ii) establish and document a Sampling Radius as provided for in Section ___, and complete the sampling only on the portion of the property to be developed and, if necessary, remediated, so long as the development area sampled includes the greater of: (a) a total area of 3,000 square feet adjacent to and surrounding the residence, not including areas covered by pavement or other permanent caps over the soil; (b) the portion of the property to be developed that will not be covered by buildings, pavement, or other permanent caps over the soil; or (c) all areas to be developed as lawns (sod or seeded), play areas, gardens, and other landscaped features around any structures. If the sampling area based on the above criteria is greater than 5,000 square feet, it shall be divided into sampling sectors as described in this sub-paragraph. If the sampling area based on the above criteria is less than 5,000 square

feet in size, it shall be further divided into two (2) sampling sectors based on the criteria in Section _____. Once the sampling sectors have been defined, the procedures established in Section _____ shall be followed for each sampling sector. A separate sample will also be collected for each distinct driveway, vegetable garden, and play area, if present. This section does not create any additional rights for creating a Subdivision, and any such Subdivision must comply with all other applicable requirements of the RLUC for obtaining the Subdivision approval.

4. **For Residential Use and Non-Residential Use Properties Greater than 0.5 Acres:** The property to be sampled shall consist of a 100-foot radius around the area affected by the Development Activity. The procedures of Section _____ through _____ shall apply depending on the size and zoning designation – Residential Use or Non-Residential Use – of the portion of the property subject to sampling. On portions of such property outside the 100-foot radius around the area affected by the Development Activity, no specific standard or requirement applies, except that if Mine Waste is encountered, the provisions for management of Mine Waste in Section _____ shall apply.
 5. **For Open Space Areas:** The area to be sampled shall consist of the area affected by the Development Activity (e.g., only the area impacted by a utility easement, road, or trail), and not the full area of the individual lot or lots. The procedures of Section _____, _____, and _____ shall apply depending on the size of the portion of the property subject to sampling. On undisturbed portions of such property where the use is to remain Open Space, no specific standard or requirement applies, except that if Mine Waste is encountered, the provisions for management of Mine Waste in Section _____ shall apply.
- F. Placement of Non-Native Fill. The Developer shall identify the source of any Non-Native Fill transported to the property as part of the Development Activity, whether for use as a Soils Cover or any other purpose, and shall: (1) show that the source has been approved by the Town pursuant to Section _____; or (2) show, using sampling data or other information acceptable to the Environmental Office, that the Non-Native Fill contains less than 100 mg/kg lead.
 - G. Additional Sampling. Additional sampling may be required if deemed necessary by the Environmental Officer for accurate analysis of potential health risks posed by soil conditions considering the proposed Development Activity and/or use of the property.
 - H. Failure to Certify Soil Testing. The Developer's failure to provide to the Town soil sampling data that has been certified by a registered and licensed P.E. or a P.G. meeting Colorado statutory requirements shall result in denial of the Soils Excavation Permit.
 - I. Provision of all Soil Sampling Results. Developers shall promptly provide all soil sampling results to the Town.

Rico Land Use Code Appendix D Section D.7 Remediation Standards

The objective of these Remediation Standards is to ensure that the average lead concentration in exposed soil in each sector of the property, whether Native Soils, Disturbed Native Soils, or Non-Native Fill, based on soil samples collected according to or in a manner consistent with Section ___, do not exceed applicable Action Levels. If the lead concentration of one or more composited Surface Soil samples collected within a sampling sector exceeds the relevant Action Level for the property in question, then the average lead concentration for Surface Soils in that sector is deemed to exceed the Action Level.

A. Requirements Applicable to Development Activities on Properties or Property Sectors with an Existing Soils Cover.

1. If the Development Activity will not disturb soils below the Existing Soils Cover or any disturbance to the Existing Soils Cover is limited to the depth of that soil cover, which is typically no more than twelve (12) inches below the ground surface, and the Existing Soils Cover will be repaired as part of the Development Activity, the Developer may seek a conditional Cleanup Completion Certification from the Town, based on the existing conditions meeting the requirements of Section ___. The purpose of the conditional Cleanup Completion Certification is to allow the Development Activity to proceed with minimal administrative requirements, while ensuring the Environmental Officer is aware of the Development Activity. Upon completion of the Development Activity, the Developer shall schedule and complete an inspection by the Environmental Officer to ensure that the requirements of Section ___ are met.
2. If the Development Activity will disturb an Existing Soils Cover and underlying soils, then:
 - a. The Existing Soils Cover material (above the geotextile fabric) shall, to the extent practicable, be removed and stockpiled on a clean surface (e.g., pavement or plastic sheets) and later reused for repairing the Soils Cover (or at other locations at the site), provided the Existing Soils Cover material does not become contaminated with underlying soils or Mine Waste and provided further that such Existing Soils Cover material is stockpiled onsite at the property that is subject to the Development Activity.
 - b. Excavated Soils shall (i) to the extent space is available in the excavation, be returned to the excavation to a depth up to twelve (12) inches below the final surface grade and placed below a Soils Cover pursuant to Section ___; or (ii) demonstrated to have lead levels below the applicable Action Level using the sampling procedures established in Section ___. Any Excavated Soils that remain after backfilling to a depth up to twelve (12) inches below the final surface grade shall be managed in accordance with Section ___. If Excavated Soils are stockpiled onsite at the property that is subject to the Development Activity, they must be stockpiled in an area to be capped or on a surface that will be cleaned after the stockpile is removed.

- c. Stockpiled Excavated Soils shall be protected from erosion, covered with plastic sheets, or managed using other appropriate controls if left on site for more than 24 hours. Any soil that does erode or blow from a stockpile shall be promptly collected and returned to the stockpile. Using best management practices, the Developer must also control generation and dispersal of fugitive dust from any soil or Mine Waste that is exposed by the Development Activities. It is not permissible to stockpile soils that will be sent to the Repository, except as provided in Section ____.
- d. The final grade in the area disturbed by the Development Activities must consist of a Soils Cover meeting the requirements of Section ____.
- e. Confirmation soil samples must be collected according to the procedures established in Section ____ in any areas where the upper 2 inches of the exposed final grade consists of Native Soils that were not previously tested (for example, deeper soils exposed by excavation and grading activities or Surface Soils that remained in place but were potentially contaminated by Development Activities), to demonstrate that these materials are below the applicable Action Level. Confirmation sampling is not required for caps consisting of imported fill from a location pre-approved by the Town pursuant to Section ____.

B. Requirements Applicable to Development Activities on Properties or Property Sectors Without an Existing Soils Cover.

1. If the lead concentration in each composite sample collected from Surface Soils at the property is below the applicable Action Level based on soil sampling conducted pursuant to the procedures established in Section ____, then no further testing or remedial action will be required under these Regulations (other than compliance with the requirement for placement of clean Non-Native Fill), and the Developer may apply for a Residential or Non-Residential Confirmation pursuant to Section ____.
2. For each sector where one or more composite samples in existing Surface Soils at the property is above the applicable Action Level based on soil sampling conducted pursuant to the procedures established in Section ____, Excavated Soils shall be managed as follows:
 - a. Excavated Soils shall, to the extent space is available in the excavation, be returned to the excavation to a depth up to twelve (12) inches below the final surface grade and placed below a Soils Cover pursuant to Section ____.

Excavated Soils that remain after backfilling to a depth up to twelve (12) inches below the final surface grade shall be managed in accordance with Section ____.

Stockpiled Excavated Soils must be placed in an area to be



capped or on a clean surface (e.g., pavement or plastic sheets) that will be cleaned after the stockpile is removed.

- b. In a sampling sector where the average lead concentration of Surface Soils is below the applicable Action Level, the Applicant can elect to remove and temporarily stockpile the Excavated Soils and later reuse such soils for the Soils Cover, provided that such soils do not become contaminated with underlying soils or Mine Waste, and provided further that such materials are stockpiled onsite. Stockpiled Excavated Soils must be placed in an area to be capped or on a clean surface (e.g., pavement or plastic sheets or clean sector).
- c. Stockpiled Excavated Soils shall be protected from erosion, covered with plastic sheets, or managed using other appropriate controls if left on site for more than 24 hours. Any soil that does erode or blow from a stockpile shall be promptly collected and returned to the stockpile. The Developer must also control fugitive dust using best management practices. The Soils Excavation Permit Application shall specify appropriate time limits for temporary stockpiling of soil disturbed during the Development Activities, to be approved by the Environmental Officer.
- d. The final grade in the area disturbed by the Development Activities must consist of Soils Cover materials meeting the requirements of Section ____.
- e. Confirmation soil samples must be collected pursuant to the procedures established in Section ____ in any areas where the upper 2 inches of the final grade consists of soils that were not previously tested (for example, deeper soils exposed by excavation and grading activities or Surface Soils that remained in place but were potentially contaminated by Development Activities) to demonstrate that the average lead concentrations of these materials are below the applicable Action Level. Confirmation sampling is not required for caps consisting of imported fill from a location pre-approved by the Town pursuant to Section ____.

C. Management and Disposal of Excavated Soils.

- 1. **For Development Activities Involving a Single Lot:** For Development Activities on a property that is not within or associated with a Planned Unit Development or Subdivision, soils meet the criteria for disposal at the Repository if they are:
 - (1) Excavated Soils from sectors that exceed the applicable Action Level and that remain as excess after Excavated Soils are used as backfill in the excavation; or (2) Mine Waste identified and managed in accordance with Section ____.If the amount of excess Excavated Soil from a Development Activity that cannot be used as backfill is 3 cubic yards or less, it may be transported by the Developer to the Repository for disposal without further testing to determine the concentration of lead in the soil. If the amount of excess Excavated Soil from a Development Activity that cannot be used as backfill is greater than the amount excavated for the twelve (12) inch cap by

more than three (3) cubic yards, the Developer must contact the Environmental Officer to request confirmation testing of the amount by which the excess soil is greater than the amount of Excavated Soil removed for the twelve (12) inch cap. If such confirmation testing confirms that the excess Excavated Soil exceeds the Action Level, it may be transported by the Developer to the Repository for disposal. If such confirmation testing determines that the excess Excavated Soil does not exceed the Action Level, it shall not be transported to the Repository for disposal, and the Developer shall manage it in accordance with Article VIII of the RLUC or otherwise to prevent a nuisance. In all instances, the soil volume equal to the amount excavated for the twelve (12)-inch cap may be transported to the Repository without additional testing. Materials such as tree roots, large boulders, trash, and other non-soil debris may not be disposed of at the Repository, and must be removed from Excavated Soils before transport by the Developer to the Repository. Soils to be disposed of at the Repository must be placed directly into trucks or roll-off containers at the time of excavation, or stockpiled pursuant to the procedures described in Sections ___ and ___. The Developer shall ensure that all soils and Mine Waste transported to the Repository are covered during transport to the Repository. The Developer shall obtain a certificate from the operator of the Repository to demonstrate that soils excavated pursuant to these Regulations were in fact disposed of at the Repository, and shall submit this certificate with its Cleanup Completion Report.

- 2. For Development Activities Involving a Planned Unit Development or Subdivision:** Excavated Soils and Mine Waste from a Development Activity within or associated with a Planned Unit Development or Subdivision are not eligible for disposal at the Repository. Such Excavated Soils and Mine Waste shall be managed and disposed of as follows:

- D. Any Developer who generates Excavated Soils or Mine Waste in connection with a Development Activity within or associated with a Planned Unit Development or Subdivision shall submit a soils management and disposal plan to CDHPE and the Environmental Officer for review and approval. The soils management and disposal plan shall describe the methods and procedures to be used by the Developer to ensure that all Excavated Soils and Mine Waste that cannot be returned to the excavation to a depth up to twelve (12) inches below the final surface grade and/or placed below a Soils Cover are managed and disposed of in accordance with applicable federal, state, and local requirements. Excavated Soils and Mine Waste from a Development Activity within or associated with a Planned Unit Development or Subdivision shall not be transported from the property that is subject to the Development Activity except in accordance with the soils management and disposal plan after approval in writing by CDPHE, with concurrence from the Environmental Officer. Installation of Soils Covers. The following materials may be used as a cap to cover soils exceeding the Action Level.

1. Soils Cover. A minimum of 12 inches of soil from the property subject to the Development Activity may be used as the Soils Cover if it has an average lead concentration below the applicable Action Level, provided the soils are adequately protected against erosion (e.g., by appropriate grading and/or vegetation). Alternatively, the Soils Cover may consist of soils imported from off-site (e.g. from a location other than the property subject to the Development Activity), provided the imported soils contain less than 100 mg/kg lead and otherwise are suitable for use as a Soils Cover. Such clean soils must come from a source approved by the Environmental Officer, or be shown to be clean fill by soil sampling data obtained pursuant to the procedures set forth in Section _____. The Environmental Officer may pre-approve soil borrow areas based on analytical testing from geographic areas demonstrating the soils from such areas are below 100 mg/kg lead and otherwise suitable for use as fill due to the absence of contamination. A geotextile fabric or other marker material, as approved by the Environmental Officer, shall be installed directly beneath the clean soil layer to mark the boundary between the Soils Cover and underlying Native Soils.
 2. Mature Trees. Where mature trees are present and will remain after the Development Activity, soil beneath the canopy must have a lead concentration less than the applicable Action Level (or 100 mg/kg lead concentrations if imported soils are used) to a depth of 12 inches at the edge of the canopy, and to a depth of 0 inches at the base of the tree trunk. For soil beneath mature Aspen trees, the depth of soil may be reduced to a uniform 4 inches depth beneath the canopy.
 3. Pavement. An impervious surface such as 4 inches of concrete or 2 inches of asphalt over a minimum 4 inches of clean granular fill (e.g., driveways, patios, walks) may be used to cover soils with concentrations of lead above the applicable Action Level.
 4. Buildings and Structures. Where construction of a permanent building or structure is part of the Development Activity, the footprint of the building or structure may be used to cover soils with lead concentrations above the applicable Action Level.
- E. Identification, Management, and Disposal of Mine Waste. Notwithstanding other terms of these Regulations, in the event that Mine Waste is encountered during any Development Activity, the Developer shall (i) presume that such materials exceed the applicable Action Level; (ii) contact the Environmental Officer to confirm the presence or absence of Mine Waste through a visual inspection and/or testing; and (iii) upon such confirmation, manage such waste pursuant to Section _____ by removing Mine Waste from a depth of 0 to 12 inches below the ground surface for disposal at the Repository and installing a Soils Cover meeting the requirements of Section _____. Mine Waste present at depths greater than 12 inches shall be left in place below a Soils Cover. If Mine Waste is excavated from a depth greater than 12 inches during the Development Activity, it shall be managed the same as other Excavated Soils in accordance with the provisions of this Section.

Rico Land Use Code Appendix D Section D.8 Maintenance of Remedial Features

To the extent a Soils Cover exists on a property, the current owner of that property is required to maintain the integrity of that Soils Cover in a manner that minimizes the risk of human exposure to soils with elevated levels of lead that may exist below the Soils Cover. Filing of the Cleanup Completion Certification, Soils Excavation Permit, and related documents with the Town (and recording the same in the Office of the Dolores County Clerk and Recorder) is intended to advise transferees and future owners of past remediation activities and on-going maintenance requirements with respect to the Soils Cover. In the event that a Soils Cover is not maintained as required by this Appendix D, the Town Manager may issue a written notice of violation to the then-current property owner describing the conditions present on the property that constitute a failure to maintain the Soils Cover. If such a notice is issued, the notice shall be posted on the property in a conspicuous place and mailed via registered mail to the last known address of the property owner according to the Dolores County Assessor's records. The property owner shall have thirty (30) days after the posting and mailing of such notice to remedy all conditions on the property related to the described violation. A property owner can request an extension of time to remedy any violation under this Section ___, which request shall be in writing, shall indicate good cause for requesting an extension, and shall propose a definite date to remedy all impaired property conditions and restore the integrity of the Soils Cover consistent with the approved Soils Excavation Permit. The Town Manager on behalf of the Town shall have authority to grant a single extension of up to one hundred eighty (180) days. The Rico Board of Trustees shall have the authority to grant greater extensions. Any grant of extension shall be in writing and mailed to the property owner at the last known address according to the Dolores County Assessor's records. The failure to remedy any violation under this Section ___ within thirty (30) days after receiving notice, or after a definite date approved in an extension, shall be deemed a violation of the RLUC and each day shall be deemed a separate violation, and such violation shall be punishable in accordance with Article I of this RLUC.

Rico Land Use Code Appendix D Section D.9 Development Activities Within the EROZ Overlay

- A. Properties within the EROZ. Properties within the EROZ were subject to previous remedial efforts pursuant to the State VCUP program or otherwise have unique environmental conditions that warrant inclusion within the EROZ. Substantial Development Activities on such lands could pose the risk of contaminating other nearby lands within the Town through erosion, wind-blown dust, changes to erosion controls, or other damage to existing remedial features. As a result of these conditions and the involvement of CDPHE, Development Activities within the EROZ are prohibited unless the Developer obtains approval from CDPHE pursuant to a separate VCUP or other written approval from CDPHE for the Development Activity. Certain EROZ properties contain erosion control features, soil caps, surface grading, and passive water treatment features. It is the responsibility of the owner of the property to maintain those features and protect them against damage resulting from any proposed Development Activity.

- B. Developer Submittals. At the same time the Developer submits materials related to the Development Activity to CDPHE, the Developer shall provide copies of documents to the Environmental Officer.
- C. Approvals from CDPHE. If the Developer obtains approval from CDPHE, the Developer shall provide written documentation of the approval to the Town prior to initiating the Development Activity. Upon completion of the Development Activity, the Developer shall provide notice to the Town that the work has been completed to the satisfaction of CDPHE, including but not limited to any documentation from CDPHE with respect to same. A written approval from CDPHE obtained pursuant to this Section ____ does not relieve the Developer from any other required approvals or requirements that may apply to the Development Activity.
- D. Restrictive Covenants. To the extent a property within the EROZ contains a land use covenant that is more restrictive than these Regulations, the more restrictive covenant requirement shall apply in addition to these Regulations, including additional notice or approval requirements that may be imposed by virtue of the land use covenant. Development Activities inconsistent with the more restrictive land use covenant shall not be permitted.
- E. EROZ and RSOZ Overlaps. To the extent a legal parcel lies within both the EROZ and RSOZ, only the portion of parcel that is within the EROZ is subject to this Section ____, with the balance of the parcel being subject to the other provisions of these Regulations; however, in such situations, a Developer may elect to manage an entire parcel under this Section ____ at its option.



**TERM SHEET FOR
2020 RICO TOWNSITE SOILS
VCUP IMPLEMENTATION, FUNDING, AND SETTLEMENT AGREEMENT**

RECITALS

- Restate applicable recitals from 2013 draft agreement.
- Summarize past VCUP work, new VCUP Application, and VCUP Work Plan, with Town and AR as applicants.
- Town and Atlantic Richfield (AR) desire to avoid listing of the Town on the National Priorities List as a Superfund Site.
- Town and AR desire to foster responsible development in Town, without compromising public health and the environment.
- Town and AR intend for AR to fund the administrative cleanup costs contemplated by this VCUP, including the costs incurred by the Town in implementing and overseeing the program, and the incremental costs incurred by property owners for remediation.
- Acknowledge that Town will initiate such actions as may be required to adopt LUC Appendix D (the “ICs Regulations”) as an ICs program concurrently with execution of this Agreement.
- Describe objectives for this Agreement: AR has completed or will complete cleanups for developed properties and will assist Town with development in the River Corridor as set forth herein; Town to implement ICs program with AR support to ensure future developments within Town boundaries protect the integrity of VCUP work and meet VCUP requirements to protect human health; and resolve all claims against the Town.
- Also describe role of CDPHE in enforcing ICs if Town fails or is unable to do so, which will be addressed through a separate Inter-governmental Agreement (IGA).
- Agreement not effective until Town adopts ICs Regulations and executes the IGA. AR will not begin any VCUP related activities until the ICs Regulations, IGA, and this Agreement are finalized, executed, and in full force, and CDPHE has approved the VCUP Application and Work Plan.

ARTICLE 1: DEFINITIONS AND EXHIBITS

Examples of terms to be defined in the Agreement include:

- Atlantic Richfield (AR)
- Consumer Price Index
- Development
- Developer
- Developed Lot
- Environmental Officer
- Incremental Costs
- Institutional Controls
- Inter-governmental Agreement
- Open Space
- Lead Action Level (LAL)

- Property Owner
- Public Facilities
- Road Maintenance
- Soil Lead Repository
- Soils Management Program (SMP)
- SMP Contractor
- Town
- Town Representatives
- Town Roads
- VCUP Application
- VCUP NAD and NFA
- VCUP Work Plan

Exhibits will include:

- Map of Town Boundaries
- Unpaved Roads and Alleys Eligible for Remediation in Phase 1
- Schematic Drawing of Roadways Removal and Replacement Plan
- Reimbursement Cost Schedule

ARTICLE 2: GENERAL REPRESENTATIONS AND COVENANTS

- Each party has authority to enter this Agreement.
- Entry and execution of this Agreement does not violate or breach any other commitments or obligations of the parties.
- No self-interest.
- No pending suits or proceedings that could affect this Agreement.

ARTICLE 3: ADOPTION AND IMPLEMENTATION OF ICS REGULATIONS

- Town will initiate such actions as may be required to adopt the ICs Regulations within 14 days of execution of this Agreement by the Town.
- During the term of this Agreement, Town shall implement, comply with, and enforce the provisions of the ICs Regulations.
- During the term of this agreement, AR shall provide funding to support the Town's implementation of, compliance with, and enforcement of the ICs Regulations, as set forth in this Agreement, as well as provide funding to compensate developers for incremental costs associated with compliance with the ICs Regulations, as set forth herein.
- Town may propose amendments to the ICs Regulations, as may be necessary from time to time, that are consistent with the VCUP Application, VCUP Work Plan, this Agreement, and the IGA. Town shall provide AR and CDPHE with a copy of any such proposed amendments at least 45 days before the notice of public hearing is provided to the public and shall provide AR and CDPHE with an opportunity to review and comment on all such proposed amendments, with any comments submitted to Town within 30 days of receipt of proposed amendment. Town shall give due consideration to any comments that AR or CDPHE provides before adopting any amendments to the ICs Regulations.

Amending or terminating the ICs Regulations without due consideration for AR comments and CDPHE consent shall be an event of default under this Agreement.

- If the IC Ordinance becomes effective, the Town will implement and enforce the IC Ordinance, subject to the other provisions of the Funding Agreement, further subject to the Town's reasonable enforcement discretion, available resources, and its discretionary policy powers as allowed under the Rico Land Use Code.

ARTICLE 4: PHASE 1 – VCUP SOIL SAMPLING AND REMEDIATION BY ATLANTIC RICHFIELD

(Phase 1 to be defined as the period commencing with Effective Date of Agreement and continuing through (i) completion of sampling of all in-Town lots where access is granted, (ii) remediation of all developed lots where access is granted and soil exceeds the action level, and (iii) remediation of Town road and alley segments where lead action level is exceeded)

4.1 Phase 1 Soil Sampling and Soil Remediation

- AR will complete soil sampling and analysis (for total lead), at AR's expense, at all previously unsampled lots in Town where access is permitted by owner under a signed access agreement; sampling and analysis to be performed as described in the CDPHE-approved VCUP Work Plan.
- AR will conduct soil sampling and analysis (for total lead), at AR's expense, at previously remediated lots in Town that may since have been subject to soil disturbance by excavation or construction activities, as well as at five additional properties with existing clean soil covers that do not appear disturbed, for quality control purposes and to confirm the assumption that lead concentrations in clean soil covers do not exceed 100 ppm. AR will seek access from the property owner under a signed access agreement. The Town Subcontractor will determine which properties require re-sampling based on a review of the available excavation or construction records documenting the extent of soil disturbance and a review of current versus historic aerial photographs. The review will be performed and funded by AR with assistance from the Town of Rico. Sampling and analysis to be performed as described in the CDPHE-approved VCUP Work Plan.
- AR will conduct soil sampling and analysis (for total lead), at AR's expense, in the vicinity of prior separate VCUPs (e.g., Columbia Mill Site, Van Winkle, Pro Patria) to ensure that areas around the VCUPs do not have elevated lead levels.
- AR will complete remediation, at AR's cost, of all developed lots in Town where (i) lead concentrations in soils exceed the LAL, and (ii) access is permitted by owner under a separate signed access agreement for remediation.
- Remediation, including soil management and disposal, will be performed as described in the CDPHE-approved VCUP Work Plan.
- Phase 1 does not include remediation of undeveloped lots, including Town-owned properties zoned as open space. *[Undeveloped lots, including Town-owned Open Space, will be remediated at the time of development by the Developer in accordance with the ICs Regulations as part of Phase 2 and Phase 3.]*
- AR's Phase 1 obligations for soil sampling and remediation will be limited to properties located within the Town boundary as it exists on the effective date of the Agreement (map to be included as an exhibit). AR's Phase 1 obligations will also include properties

covered by minor adjustments to Town boundaries that do not materially change the obligations of AR under this agreement.

- Town will use reasonable efforts to assist AR in obtaining access agreements if property owners are not responsive or cooperative; “reasonable efforts” by the Town include communications with property owners to encourage participation and public outreach and education in concert with AR and CDPHE.

4.2 Phase 1 Remediation of Roads and Alleys

- Phase 1 Remediation of Roads and Alleys will take place after the installation of a central sewer system, unless the installation of a central sewer system has not yet occurred five years after execution of this Agreement. In that case, Phase 1 Remediation of Roads and Alleys will take place five years after the execution of this Agreement.
- AR will complete, at AR’s expense, soil sampling and lead analysis for certain road and alley surfaces in Town as described in the CDPHE-approved VCUP Work Plan.
- Roads and alleys eligible for sampling and remediation will be identified on a map attached as an exhibit. The eligible unpaved roads and alleys within the Town are those that experience regular vehicle traffic (*i.e.*, not walking paths or bike trails), including any public right-of-way that is used by landowners to access their property.
- AR will identify the road and alley segments targeted for remediation where lead concentrations exceed the LAL, based on the results of the soil sampling performed by AR before 2015 and during Phase 1.
- AR will assist the Town in preparing a scope of work, bid package, and request-for proposals (if required by Town procurement rules) for designing and conducting the remediation of road segments where sampling results confirm lead concentrations in the top 2 inches of road-surface material or right-of-way soil exceed the LAL. AR will also assist the Town in developing a Work Plan for the road remediation work. The Town is responsible for the selection of the contractor for the road remediation work.
- Upon acceptance of the bid, AR shall pay to the Town the amount of the bid, plus an additional 10% of the bid amount to cover contingencies. These funds shall be maintained by Town in a dedicated bank account for use by the Town only to pay the invoiced fees and expenses of the Town Roads contractor for services rendered. The account may be the same account used to maintain funds for the Soils Management Program Contractor (*see* Section 6.3).
- In the event of change orders in excess of 10% from circumstances that might arise from unexpected conditions, AR shall pay to the Town the cost of the changes. All change orders must be approved by Town and discussed with AR prior to approval.
- Town Roads contractor will submit invoices to Town and Town will review to verify the work completed, consistency with budget, and adherence to scope of work, design, and specifications. Once Town approves the invoices, Town will pay invoices within 45 days of receipt.
- Town shall maintain and/or require its banking institution to maintain reasonably detailed accounting records for all deposits and withdrawals from the account. The Town shall provide such records to AR upon request with 5 business days’ notice during Town Hall business hours (Monday-Thursday, 9am-4pm), or no more frequently than quarterly.
- If at any time the balance in the account dedicated to funding road remediation becomes depleted or at risk of being depleted, the Town may submit a request to AR to replenish

the account in an amount that will cover the projected costs for completion of the road remediation work. Subject to its right to review the Town's records of payments made from the account, AR shall submit the replenishment payment within 30 days of receiving the request.

- If there are funds dedicated to road remediation remaining in the account following completion of the Phase 1 road remediation work, the Town shall return those funds to AR within 30 days of the date of completion of the Phase 1 road remediation work. Alternatively, at AR's selection, the funds may be kept in the account and made available for the Soils Management Program contractor, in which case the following year's deposit into the fund for the Soils Management Program contractor shall be adjusted downward by the amount of road remediation funds remaining in the account.
- AR shall separately provide the Town with a stipend equal to 15% of the bid amount, to be used by the Town to cover expenses incurred by the Town in coordinating and administering the roads remediation program.
- Town Roads contractor will perform road remediation design and construction, which will include development of engineering and construction specifications, traffic management, excavation, transporting excavated materials to the Soil Lead Repository, importing clean replacement material, surface grading, and stormwater management. Contractor must ensure and certify that replacement material used on remediated roads meets the requirements for placement of Non-Native Fill under the ICs Regulations.
- As specified in the VCUP Application, remediation will involve excavation of the upper 12 inches of surface material from the roadbed (including traveled way and shoulder) and adjacent unvegetated Town-owned right of way where lead concentrations exceed the LAL (a schematic drawing defining the extent of the excavation will be included as an exhibit). The unvegetated right-of-way area includes the road shoulders, drainage swales, ditches, berms, parking area, and other bare ground next to the traveled roadway.
- Road remediation will include work necessary to remove and replace the surface materials and ensure that the current street grade, drainage, and any other characteristics of the roads to be remediated are maintained. Improvement of grade, lane width, curvature, sight distance, or similar roadway construction/engineering issues that are or may be locally present on Town of Rico streets will not be included in the scope of the road remediation work, but all tasks necessary to ensure that these characteristics are maintained as they existed at the start of the work will be reimbursable. Additionally, road remediation will include the cost of engineering, materials, and installation, not to exceed 20% of the road remediation work, for drainage improvements in portions of remediated road areas known to have runoff that would wash away road surface material, to avoid excessive maintenance of the remediated road portions over time.
- Excavated road surface material and right-of-way soil will be accepted by AR at the Soil Lead Repository. AR may elect to place the excavated material in the Soil Lead Repository or otherwise use the material as borrow/fill in accordance with State and Federal regulations and requirements, as applicable.
- Following completion of the Phase 1 road remediation work, AR will not be responsible for the funding or performance of any future road-related work or routine maintenance expenses pursuant to the Agreement, including surface regrading, replacement or maintenance of road surface material or road-base, signage, guardrails, stormwater management, dust control, etc. AR will be responsible for assisting Town with the

development of specifications and procedures for future maintenance and dust control as necessary to satisfy AR and Town's obligations under the VCUP Application, including but not limited to purchasing a water truck for Town and allowing Town use of AR's water filling station near the entrance of the mine for dust control. Town will ensure any road surfacing material placed on remediated road segments after the initial remediation is completed meets the requirements for placement of Non-Native Fill under the ICs Regulations.

4.3 Phase 1 Town Subcontractor

- Town will retain a Subcontractor to conduct the Town's participation in Phase 1 of the VCUP program. Town may, but need not, retain the same Town Subcontractor for all three phases of the VCUP program; however, the Town Subcontractor will be different from the SMP Contractor.
- Town shall require, pursuant to the Town Subcontractor agreement, that the Town Subcontractor provide an annual budget each year for the costs and expenses to be performed.
- The Town Subcontractor's budget shall be subject to approval by AR, which approval shall not be unreasonably withheld.
- By January 31 of each year, AR shall pay to the Town the annual Town Subcontractor's budget estimate for that calendar year, which funds shall be maintained by Town in a dedicated bank account for use by the Town only to pay the invoiced fees and expenses of the Town Subcontractor for the services rendered.
- Town shall maintain and/or require its banking institution to maintain reasonably detailed accounting records for all deposits and withdrawals from the account, including the name and address of any payment recipient and the amount paid to the recipient. The Town shall provide such records to AR upon request with 5 business days' notice during Town Hall business hours (Monday-Thursday, 9am-4pm), or no more frequently than quarterly.
- If any funds are left over from the prior year's payment, the amount of the annual payment for the next year will be adjusted downward by that amount.
- Either AR or the Town may propose adjustments to the annual amount paid by AR to address actual or anticipated material changes (increases or decreases) to the scope or costs of the Town Subcontractor services. Such proposals may be made either prior to the commencement or during the course of the calendar year for which the payment is due and shall be accompanied by a reasonably detailed explanation of the reasons for the proposed adjustment. Proposed adjustments shall not be effective unless approved in writing by the other Party, which approval shall not be unreasonably withheld.
- If an agreement is reached during the course of a year to increase the total amount of the funding for Town Subcontractor services for that year, AR shall pay to the Town the amount of the agreed upon increase within sixty (60) days of the Parties' agreement. If agreement cannot be reached with respect to any proposed adjustment, the Parties shall proceed with dispute resolution (*see* Article 13).

4.4 Permits

- Phase 1 sampling and remediation work by AR will be done on the Town's behalf, and therefore will be subject to the ICs Regulations and Town permitting requirements only to the extent the same work done by the Town itself would be subject to the IC

Regulations and Town permitting requirements, except that AR must obtain a Residential or Non-Residential Confirmation and/or a Cleanup Completion Certification for properties sampled and/or remediated to ensure the maintenance of accurate records of soil sampling and remediation work.

4.5 Phase 1 VCUP NADs and NFAs

- AR and Town will jointly request Town-wide general VCUP NFA (or an equivalent acknowledgement) from CDPHE upon adoption of the ICs Regulations.
- AR, as authorized representative of property owner (per access agreement), will request parcel-specific VCUP NADs for all lots where Phase 1 or prior sampling shows lead concentrations are below action levels, and Town will cooperate and assist in these requests, with funding from AR.
- AR, as authorized representative of property owner (per access agreement), will request parcel-specific VCUP NFAs for all lots remediated by AR in Phase 1 or during prior VCUP efforts, and Town will cooperate and assist in these requests, with funding from AR.
- Town and AR will jointly seek a VCUP NFA for Town roads upon completion of road remediation, with funding from AR.

4.6 Phase 1 Establishment of GIS System

- Results of sampling and remediation work to be tracked via GIS system created and maintained by AR during Phase 1 in accordance with requirements in the VCUP Work Plan, with AR to provide and pay for electronic access, license, and training to Town.
- AR will prepare and provide other reports and records, as specified by the VCUP Work Plan.

4.7 Phase 1 Schedule/Timing

- AR will use best efforts to complete Phase 1 sampling by the end of 2022 and Phase 1 soil remediation by the end of 2023 (assuming Agreement and ICs Regulations are effective by [DATE] 1, 2021 and Town property owners are cooperative in Phase 1 program implementation).

ARTICLE 5: PHASE 2 – IC’s ADOPTION AND AR ADMINISTRATION OF RICO SOILS MANAGEMENT PROGRAM

(Phase 2 to be defined as the period commencing with adoption of the ICs Regulations and continuing for three years following completion of Phase 1 or the time it takes to complete remediation of fifteen previously undeveloped properties, whichever is later; AR and Town will confer at the end of the three-year or fifteen-undeveloped-property period to confirm Town is prepared to transition to Phase 3 [see Article 6])

5.1 Phase 2 Soils Management Program

(“Soils Management Program” to be defined as program providing for the testing, management, and disposal of action level soils required in connection with development projects permitted and performed in accordance with the ICs Regulations. Soil Lead Repository and clean soils supply oversight is addressed separately below in Article 7.)

- During Phase 2, AR will fund, manage, and implement the Soils Management Program (SMP) using the services of a qualified contractor retained and paid by AR. AR will consult with Town in the selection of the SMP contractor, but AR will have sole discretion in selecting the contractor. If the SMP contractor is not responsive to the development schedules of property owners and developers, such that the effective functioning of the SMP is impeded, or the SMP is otherwise not performing in a manner that is reasonably satisfactory to the Town, AR shall promptly replace the SMP contractor at the Town's request.
- As specified by the VCUP Application, Phase 2 SMP services for development projects subject to the ICs Regulations will include:
 - Providing technical support to Developers needing assistance to comply with requirements of the ICs Regulations, including assistance with preparation of development permit applications and ISWPs.
 - Confirmation testing of Mine Waste (as defined in the ICs Regulations).
 - Testing of Excavated Soils (as defined in the ICs Regulations) generated in connection with development projects and that cannot be returned to the excavation to verify suitability for disposal at the Soil Lead Repository, if required.
 - Supervising the excavation and sorting of soils with lead concentrations above the LAL to ensure soils are properly segregated during the development activity and that soils not suitable for disposal at the Soil Lead Repository are not transported to the Repository.
 - Providing clean fill soil.
 - Providing materials needed for compliance with ICs Regulations to Developers, which may include geotextile fabric, plastic sheeting, and containers for hauling soil to the Soil Lead Repository. The SMP may refuse to provide these materials to owners of properties who fail to authorize AR to act as owner's representative for purposes of obtaining a VCUP NAD or NFA, until the owner representative provides such authorization.
 - Inspections of development sites required under the ICs Regulations, if requested by the Environmental Officer.
 - Ongoing management of GIS system and other record keeping requirements.
- The SMP will not be responsible for performing soil removal, clean soil placement, grading, landscaping, or other on-site activities required for proper performance of development projects in accordance with the ICs Regulations, which tasks shall be the responsibility of the Developer. AR will be responsible for paying the incremental costs incurred by Developers to complete these tasks in accordance with the ICs Regulations.
- AR will retain responsibility for operation and maintenance of the Soil Lead Repository for all time (and a replacement repository, if required) and the clean fill stockpile throughout Phase 2 and Phase 3 (*see* Article 7). The SMP will be responsible for supervising the excavation and sorting of soils to ensure that soils with lead concentrations above and below the LAL are properly segregated from each other. The SMP will be responsible for determining and verifying the suitability of Excavated Soils for disposal at the Soil Lead Repository. However, the SMP will not be responsible for

transporting Excavated Soils from the development project site to the Soil Lead Repository (responsibility of the Developer) or managing soils at the Soil Lead Repository (responsibility of AR) (*see* Article 8). AR will be responsible for paying the incremental costs of Developers who must transport Excavated Soils to the Soil Lead Repository. If travel mileage or time from the Town to a future replacement repository location exceeds travel mileage or time to the current Soil Lead Repository location by more than []%, AR will pay increased incremental costs for Developers transporting materials to the replacement repository.

5.2 Phase 2 Town Subcontractor

- Town will retain a Subcontractor to conduct the Town's participation in Phase 2 of the VCUP program. Town may, but need not, retain the same Town Subcontractor for all three phases of the VCUP program; however, the Town Subcontractor will be different from the SMP Contractor.
- Town shall require, pursuant to the Town Subcontractor agreement, that the Town Subcontractor provide an annual budget each year for the costs and expenses to be performed.
- The Town Subcontractor's budget shall be subject to approval by AR, which approval shall not be unreasonably withheld.
- By January 31 of each year, AR shall pay to the Town the annual Town Subcontractor's budget estimate for that calendar year, which funds shall be maintained by Town in a dedicated bank account for use by the Town only to pay the invoiced fees and expenses of the Town Subcontractor for the services rendered.
- Town shall maintain and/or require its banking institution to maintain reasonably detailed accounting records for all deposits and withdrawals from the account, including the name and address of any payment recipient and the amount paid to the recipient. The Town shall provide such records to AR upon request with 5 business days' notice during Town Hall business hours (Monday-Thursday, 9am-4pm), or no more frequently than quarterly.
- If any funds are left over from the prior year's payment, the amount of the annual payment for the next year will be adjusted downward by that amount.
- Either AR or the Town may propose adjustments to the annual amount paid by AR to address actual or anticipated material changes (increases or decreases) to the scope or costs of the Town Subcontractor services. Such proposals may be made either prior to the commencement or during the course of the calendar year for which the payment is due and shall be accompanied by a reasonably detailed explanation of the reasons for the proposed adjustment. Proposed adjustments shall not be effective unless approved in writing by the other Party, which approval shall not be unreasonably withheld.
- If an agreement is reached during the course of a year to increase the total amount of the funding for Town Subcontractor services for that year, AR shall pay to the Town the amount of the agreed upon increase within sixty (60) days of the Parties' agreement. If agreement cannot be reached with respect to any proposed adjustment, the Parties shall proceed with dispute resolution (*see* Article 13).

5.3 Phase 2 VCUP NFAs and NADs

- For development projects at previously undeveloped properties where testing has confirmed soil lead concentrations exceed the action level (*i.e.*, properties not remediated

in Phase 1), Town, with funding from AR, will assist AR in working with the Developer to obtain a VCUP NFA for the property upon completion of the development project.

- For development projects at previously undeveloped properties where Phase 1 testing did not occur and testing by the Developer confirms soil lead concentrations are below the action level, Town, with funding from AR, will assist AR in working with the Developer to obtain a VCUP NAD.
- For open space parcels remediated in Phase 2, Town will obtain VCUP NFA for the remediated area with funding provided by AR.

5.4 Phase 2 Maintenance of Roads and Alleys

- Town will be responsible during Phase 2 for ongoing maintenance of clean cover materials on remediated roadways, adjacent Town-owned rights-of-way, and alleys, including proper management of utility excavations within the roadways and road construction work in accordance with the ICs Regulations. AR will fund incremental costs associated with utility excavations and road construction work. On an annual basis (or less frequently if used less frequently than annually), AR shall fund testing of roadbase materials to be used on portions of the remediated roadways, adjacent Town-owned rights-of-way, and alleys for lead. If such materials exceed 100 ppm lead and the Town is required to obtain such roadbase from a location that is more expensive than its standard source, AR shall pay the incremental costs of obtaining such roadbase for maintaining remediated roadways.

5.5 Phase 2 Maintenance of GIS System

- During Phase 2, AR will continue to maintain the searchable GIS database system created by AR in Phase 1, including sampling and analysis records, property remediation records, status of completed VCUP work, and any VCUP NADs and NFAs for a given property. AR will continue to provide and pay for electronic access, license, and training to Town.

5.6 Phase 2 Funding for Town Administration of Soils Management Program

- During Phase 2, AR shall provide Town with an annual stipend, to be paid by January 31 of each year, equal to one-fourth (25%) of the Town Manager's annual salary and labor burden, with such funds to be used by the Town to cover expenses incurred by the Town in coordinating and managing the SMP and performing community outreach and education. This stipend is separate from AR's funding of the SMP and SMP contractor.

5.7 Phase 2 Community Outreach and Education

- During Phase 2, the Town will implement a community outreach and information program to inform and educate property owners about the purposes of and requirements under the ICs regulations and the soil sampling and remediation program.
- Outreach program components may include an informational website, fact sheets, mailings, and public meetings, as described in the VCUP Application (Section 6.1.2).
- AR will pay for the costs of this outreach and education program, including any consultant, design, and printing or mailing costs.

5.8 Phase 2 Administrative Reporting

- AR's SMP contractor will provide an annual report to the Town Manager summarizing the tasks performed and expenses incurred by the SMP.
- Town or Town Manager will provide an annual report to AR of its Phase 2 tasks performed, labor expended, and costs incurred.

ARTICLE 6: PHASE 3 – TOWN ADMINISTRATION OF SOILS MANAGEMENT PROGRAM

(Phase 3 to be defined as period commencing with termination of Phase 2 and continuing until all lots in Town are remediated pursuant to the VCUP (other than lots receiving a VCUP NAD))

6.1 Phase 3 Soils Management Program

- During Phase 3, Town will manage and implement the SMP using the services of a SMP contractor retained by Town with funding provided by AR (*see details below about contractor retention and funding*).
- Phase 3 SMP services will generally be the same as for Phase 2, with the same limitations as stated above under Phase 2.
- AR will retain responsibility for operation and maintenance of the Rico Soil Lead Repository and the clean fill stockpile throughout Phase 3 and at all times thereafter (*see Article 7*), and access to same.

6.2 Selection and Retention of Phase 3 SMP Contractor

- At least 6 months before scheduled completion of Phase 2, Town will retain a SMP contractor qualified to implement the SMP following the completion of Phase 2. The initial SMP contract will have a term of 5 years. AR shall not be a party to or have any obligations under the agreement between the Town and its SMP contractor.
- AR will work with the Town to develop a set of qualifications and a retention agreement for the SMP contractor. The Town is responsible for selection of the SMP contractor.
- Town's SMP contractor may, but need not, be the same contractor used by AR to manage the SMP during Phase 2. Town and AR will waive any conflicts of interest if the same SMP contractor is used.



Town shall renew the SMP contractor agreement or retain the services of a new SMP contractor for each subsequent 5-year period during Phase 3, so shorter terms if Town replaces SMP contractor. Town shall have right to terminate and replace SMP contractor if the SMP contractor is not responsive to the development schedules of property owners and developers, such that the effective functioning of the SMP is impeded, or the SMP is otherwise not performing in a manner that is reasonably satisfactory to the Town.

6.3 Budget and Funding for Town's SMP Contractor

- Town shall require, pursuant to the SMP contractor agreement, that the Town's SMP contractor provide an annual budget each year for the costs and expenses associated with the SMP services to be performed.
- The SMP contractor's budget shall be subject to approval by AR, which approval shall not be unreasonably withheld. AR will provide information to the Town on expenses incurred by AR's SMP contractor during Phase 2 to assist in developing and reviewing the SMP contractor's Phase 3 budgets. AR may disapprove an annual budget if it

projects expenses that materially exceed actual expenses incurred during the prior year without a good-cause basis (*e.g.*, a projected need to purchase new capital equipment or a significant increase in planned development activity).

- By January 31 of each year, AR shall pay to the Town the annual SMP contractor's budget estimate for that calendar year, which funds shall be maintained by Town in a dedicated bank account for use by the Town only to pay the invoiced fees and expenses of the SMP contractor for the SMP services rendered.
- Town shall maintain and/or require its banking institution to maintain reasonably detailed accounting records for all deposits and withdrawals from the account, including the name and address of any payment recipient and the amount paid to the recipient. The Town shall provide such records to AR upon request with 5 business days' notice during Town Hall business hours (Monday-Thursday, 9am-4pm), or no more frequently than quarterly.
- If any funds are left over from the prior year's payment, the amount of the annual payment for the next year will be adjusted downward by that amount.
- Either AR or the Town may propose adjustments to the annual amount paid by AR to address actual or anticipated material changes (increases or decreases) to the scope or costs of the SMP services. Such proposals may be made either prior to the commencement or during the course of the calendar year for which the payment is due and shall be accompanied by a reasonably detailed explanation of the reasons for the proposed adjustment. Proposed adjustments shall not be effective unless approved in writing by the other Party, which approval shall not be unreasonably withheld.
- If an agreement is reached during the course of a year to increase the total amount of the funding for SMP services for that year, AR shall pay to the Town the amount of the agreed upon increase within sixty (60) days of the Parties' agreement. If agreement cannot be reached with respect to any proposed adjustment, the Parties shall proceed with dispute resolution (*see* Article 13). Pending dispute resolution and the deposit of SMP funding with the Town, the Town has no responsibility to administer the SMP. Requests for reimbursement submitted by property owners or developers will be reserved until AR deposits SMP funding with the Town.

6.4 Phase 3 Town Subcontractor

- Town will retain a Subcontractor to conduct the Town's participation in Phase 3 of the VCUP program. Town may, but need not, retain the same Town Subcontractor for all three phases of the VCUP program; however, the Town Subcontractor will be different from the SMP Contractor.
- Town shall require, pursuant to the Town Subcontractor agreement, that the Town Subcontractor provide an annual budget each year for the costs and expenses to be performed.
- The Town Subcontractor's budget shall be subject to approval by AR, which approval shall not be unreasonably withheld.
- By January 31 of each year, AR shall pay to the Town the annual Town Subcontractor's budget estimate for that calendar year, which funds shall be maintained by Town in a dedicated bank account for use by the Town only to pay the invoiced fees and expenses of the Town Subcontractor for the services rendered.
- Town shall maintain and/or require its banking institution to maintain reasonably detailed accounting records for all deposits and withdrawals from the account, including the name

and address of any payment recipient and the amount paid to the recipient. The Town shall provide such records to AR upon request with 5 business days' notice during Town Hall business hours (Monday-Thursday, 9am-4pm), or no more frequently than quarterly.

- If any funds are left over from the prior year's payment, the amount of the annual payment for the next year will be adjusted downward by that amount.
- Either AR or the Town may propose adjustments to the annual amount paid by AR to address actual or anticipated material changes (increases or decreases) to the scope or costs of the Town Subcontractor services. Such proposals may be made either prior to the commencement or during the course of the calendar year for which the payment is due and shall be accompanied by a reasonably detailed explanation of the reasons for the proposed adjustment. Proposed adjustments shall not be effective unless approved in writing by the other Party, which approval shall not be unreasonably withheld.
- If an agreement is reached during the course of a year to increase the total amount of the funding for Town Subcontractor services for that year, AR shall pay to the Town the amount of the agreed upon increase within sixty (60) days of the Parties' agreement. If agreement cannot be reached with respect to any proposed adjustment, the Parties shall proceed with dispute resolution (*see* Article 13).

6.5 Phase 3 VCUP NFAs

- As with Phase 2, for development projects completed in Phase 3 at previously undeveloped properties where testing has confirmed soil lead concentrations exceed the action level (*i.e.*, properties not remediated in Phase 1), Town, with funding from AR, will assist AR in working with the Developer to obtain a VCUP NFA for the property upon completion of the development project.
- For development projects at previously undeveloped properties where Phase 1 testing did not occur and testing by the Developer confirms soil lead concentrations are below the action level, Town, with funding from AR, will assist AR in working with the Developer to obtain a VCUP NAD.
- For open space parcels remediated in Phase 3, Town will obtain a VCUP NFA for the remediated area with funding provided by AR.

6.6 Phase 3 Maintenance of Roads and Alleys

- Town will continue during Phase 3 to be responsible for ongoing maintenance of clean cover materials on remediated roadways, adjacent Town-owned rights-of-way, and alleys, including proper management of utility excavations within the roadways and road construction work in accordance with the ICs Regulations. AR will fund incremental costs associated with utility excavations and road construction work. On an annual basis (or less frequently if used less frequently than annually), AR shall fund testing of roadbase materials to be used on portions of the remediated roadways, adjacent Town-owned rights-of-way, and alleys for lead. If such materials exceed 100 ppm lead and the Town is required to obtain such roadbase from a location that is more expensive than its standard source, AR shall pay the incremental costs of obtaining such roadbase for maintaining remediated roadways.

6.7 Phase 3 Maintenance of GIS System

- During Phase 3, Town Manager or Town's Environmental Officer will assume responsibility for and continue to maintain the searchable GIS database system created by AR in Phase 1, including sampling and analysis records, property remediation records, status of completed VCUP work, and any VCUP NADs and NFAs for a given property. AR will continue to fund the maintenance of the GIS database system and any GIS training need for the Town Manager or Town's Environmental Officer during Phase 3. AR will also pay for electronic access and a GIS license for Town. AR representatives will be provided full access to the GIS database during Phase 3.

6.8 Phase 3 Funding for Town Administration of Soils Management Program

- During Phase 3, AR shall continue to provide Town with an annual stipend, to be paid by January 31 of each year, equal to one-fourth (25%) of the Town Manager's annual salary and labor burden, with such funds to be used by the Town to cover expenses incurred by the Town in coordinating and managing the SMP and performing community outreach and education.

6.9 Phase 3 Community Outreach and Education

- During Phase 3, the Town will continue to implement the community outreach program implemented in Phase 2.

6.10 Phase 3 Administrative Reporting

- Town shall require its SMP contractor to provide an annual report to the Town Manager and AR summarizing the tasks performed and expenses incurred by the SMP contractor.
- Town or Town Manager will provide an annual report to AR of its Phase 3 tasks performed, labor expended, and costs incurred.

ARTICLE 7 REPOSITORY & CLEAN SOIL SUPPLY

7.1 Soil Lead Repository.

- In Phases 1-3, and at all times thereafter, AR shall maintain and operate the existing Soil Lead Repository to accept action-level soils and mine waste that are (i) removed from remediated properties and roads and (ii) managed and delivered to the Soil Lead Repository, both in accordance with the VCUP Work Plan (Phase 1) and ICs Regulations (Phases 2 and 3). If, at some point, capacity in the Soil Lead Repository is no longer available, AR shall have full financial responsibility for and reasonable discretion in determining how to continue to manage ongoing deliveries of such action-level soils and mine waste in accordance with applicable state and federal law, including expansion of the Soil Lead Repository, construction of a new repository at a distance and location reasonably acceptable to the Town, beneficial use of the material, and/or off-site transport and disposal. The Town generally prefers expansion of the existing repository over other options. AR agrees to consult with the Town if changes to the repository are required. If travel mileage or time from the Town to the new repository location exceeds travel mileage or time to the current Soil Lead Repository location by more than []%, AR will pay increased incremental costs for Developers transporting materials to the new repository.

- If a Developer transports materials to the Soil Lead Repository that the SMP contractor has designated as unsuitable for disposal, AR may reject those materials at the Soil Lead Repository if they have not been generated or managed in accordance with the ICs Regulations and/or if they are inconsistent with the repository's Certificate of Designation, including (i) materials containing boulders, debris, and other non-soil materials, or (ii) soils in excess of 3 cubic yards with lead concentrations below the LAL. Soils approved for disposal by the SMP shall be presumed to be appropriate for disposal at the repository.

7.2 Clean Soil Supply

- Within ninety (90) days after the Effective Date, AR shall deliver a quantity of one hundred (100) cubic yards of clean soil to a secure location on AR property located near the Soil Lead Repository, which will be made available to Developers for use as Soils Cover (as defined in the ICs Regulations) in connection with Phase 2 and Phase 3 development projects performed in accordance with the ICs Regulations.
- The stockpiled clean soil shall meet the requirements for cover material specified in the VCUP Work Plan (Section 3.5.1.2).
- AR shall replenish the stockpile on a periodic basis as necessary to ensure an adequate supply is available for use by Developers, including where Developers or the Town inform AR of the need for larger volumes in the event of an anticipated large remedial project.
- AR shall not be responsible for delivery of clean soil to development sites. However, AR shall be responsible for paying incremental cost of delivery of clean soil to development sites and hauling of soil appropriate for disposal at the Repository to the Repository.
- AR shall not use or permit the use of the stockpiled soil for any purpose other than the replacement of, in an equivalent amount, contaminated material removed by Developers from their respective properties and disposed of at the Repository in accordance with the ICs Regulations.
- The clean soil stockpile shall not be available for use by the Town for road maintenance or replacement of road and alley surface materials. The clean soil stockpile shall be otherwise available for use by the Town for remediation of and Development Activities consistent with the ICs Regulations on Public Facilities, Open Space, or other Town-owned properties.

ARTICLE 8 FUNDING OF INCREMENTAL DEVELOPMENT COSTS AND TOWN LEGAL FEES

8.1 AR Payments for Incremental Costs

- Within 30 days after the Effective Date, AR will pay \$75,000 (amount to be pro-rated depending on timing of the Agreement) to the Town for use in issuing payments to Developers as an offset for incremental development costs incurred to comply with the requirements of the ICs Regulations, using the payment process described below. These funds may also be used as an offset for incremental development costs incurred by the Town to comply with the requirements of the ICs Regulations, when development activities occur on Public Facilities, Open Space, or other Town-owned properties. If planned Development Activities are anticipated to have greater incremental costs (e.g.,

for the installation of a central sewer system), the Town will provide an estimate of such costs to AR and AR will deposit such funds into the Town account used for incremental cost payments.

- Payments will be made by the Town to Developers (using the funds provided by AR) in accordance with a prescribed costs schedule, which will be an exhibit to the Agreement. The schedule will establish uniform payment amounts based on tiered quantities of the soil removed in connection with a given development project. If the payment amounts are developed based on the assumption that OSHA does not apply to the removal and transport of excavated soil by Developers, the schedule will state that assumption, and the payment amounts will be increased to include the cost of OSHA compliance if it is later determined that OSHA does apply. The payment amounts will be adjusted annually for inflation using the CPI. The quantity of soil removed and the payment amount will be determined based on the area(s) and depth(s) of the planned excavation(s) specified in a Developer's development permit application submitted in accordance with Section D.4.E of the ICs Regulations.
- Payments will be made by the Town to the Town to offset incremental development costs incurred by the Town to comply with the requirements of the ICs Requirements, when development activities occur on Public Facilities, Open Space, or other Town-owned properties, including but not limited to incremental costs associated with central sewer systems that the Town may install in the future.
- Town shall maintain these funds in a dedicated bank account and not use them for any other purpose, except that the account may be the same account used for the road remediation and SMP contractor funding, and the funds may be comingled. Town shall maintain and/or require its banking institution to maintain reasonably detailed accounting records for all deposits and withdrawals from the account, including the name and address of any incremental costs payment recipient, the amount of soil removed in connection with the recipient's development project, and the amount paid to the recipient. The Town shall provide such records to AR upon request with 5 business days' notice during Town Hall business hours (Monday-Thursday, 9am-4pm), or no more frequently than quarterly.
- On or before January 31 of each subsequent year during the term of the Agreement, AR shall pay an additional amount to the Town sufficient to replenish the balance in the account to \$75,000. Every five years, the base amount of the balance in the account, initially set at \$75,000, shall be adjusted for inflation using the CPI, except that in no event shall the base amount be less than \$75,000.
- If at any time during a calendar year the balance in the Town's incremental costs account falls below \$15,000, the Town may submit a request to AR to replenish the amount in the account to \$75,000 at that time. Subject to its right to review the Town's records of payments made from the account, AR shall submit the replenishment payment within 30 days of receiving the request.

8.2 AR Payments for Town Legal Fees.

- In addition to other amounts, AR will reimburse the Town's reasonable costs, expenses, and attorneys' fees related to (i) the Town's adoption, enforcement, and implementation of the ICs Regulations and this Agreement; (ii) legal or administrative actions filed or threatened against the Town or Town Representatives arising from the Town's adoption,

implementation, and enforcement of the ICs regulations and this Agreement; and (iii) disputes arising under this Agreement.

8.3 Option for Lump Sum Payment.



- If at any time the Town and AR are able to reach agreement on a lump sum payment to cover some or all of AR's funding obligations under this Agreement, then AR shall pay this amount to the Town, and after making such payment AR shall have no further obligation pursuant to the VCUP to pay for the obligations to be covered by the lump sum payment.

8.4 Other Considerations

- Assignment and/or transfer of all minerals and mineral rights owned by AR within the Town's boundaries to Town (including but not limited to geothermal, gas, oil, gravel, fractured mineral claims, etc.).
- Recreational easement on land purchased from U.S. Forest Service.

ARTICLE 9: INDEMNIFICATION AND RELEASES AND COVENANTS NOT TO SUE

9.1 Indemnities.

- Notwithstanding any other provision of this Agreement or any related document, no implied, express, equitable, or other indemnity exists from the Town or Town Representatives in favor of (i) AR (including AR, its directors, officers, employees, attorneys, contractors, subsidiaries, affiliates, parents, agents, successors, and assigns) or (ii) any other person or entity. Nothing in this Agreement is intended to affect the rights of third-party persons or entities.
- AR will indemnify, defend, and hold harmless Town for third-party claims arising from AR's performance of or failure to perform its obligations under the Agreement, including remediation of contaminated soils, management and maintenance of the Soil Lead Repository, and any exacerbation of pre-existing environmental conditions by AR or AR's contractors, except to the extent claims are caused by the gross negligence, recklessness, or willful misconduct of the Town and/or its contractors.

9.2 Releases and Covenants not to Sue.

- Town will release and covenant not to sue AR for all lead in soil conditions and all matters addressed in this Agreement. The release will prevent Town from joining AR as a third-party defendant in an action brought by a Town resident against the Town alleging claims arising from adoption and implementation of the ICs Regulations or the Town's oversight of the Soils Management Program. The release and covenant not to sue will not apply if and to the extent: EPA or the State bring civil or administrative action against the Town alleging claims arising from adoption and implementation of the ICs Regulations or the Town's oversight of the Soils Management Program, or related to environmental conditions arising from past mining activity or work performed by AR under this Agreement (*i.e.*, Town can join AR in action in which Town is sued by EPA or State); or AR acts with gross negligence, recklessness, or willful misconduct in (a) performing its obligations under the Agreement or (b) in materially exacerbating lead in soil conditions

in the Town. The release and covenant not to sue will not apply to, and Town reserves all rights with respect to claims that arise out of or relate to: the incremental costs of remediation or compliance with the ICs Regulations after AR has terminated funding for incremental costs; past VCUP work in the Town; and water quality issues, which are not addressed under the VCUP, ICs Regulations, or this Agreement.

- AR will release and covenant not to sue Town for lead in soil conditions and all matters addressed in this Agreement. The release and covenant not to sue will not apply if and to the extent: EPA or the State bring civil or administrative action against AR for environmental conditions arising from work performed by Town under this Agreement; or Town acts with gross negligence, recklessness, or willful misconduct in (a) performing its obligations under the Agreement or (b) in materially exacerbating lead in soil conditions in the Town. The release and covenant not to sue will not apply to, and AR reserves all rights with respect to claims that arise out of or relate to: past VCUP work in the Town; and water quality issues, which are not addressed under the VCUP, ICs Regulations, or this Agreement.
- The releases and covenants not to sue will not prevent an action to enforce the Agreement.
- The releases and covenants not to sue will survive this Agreement.

ARTICLE 10: DILIGENT PERFORMANCE AND SUPPORT OF VCUP

10.1 Diligent Performance of VCUP Work.

- AR and Town agree to implement the work described in the VCUP Application and VCUP Work Plan and to implement the soils management program in accordance with the IC Ordinance. AR and Town agree to remain applicants on the VCUP Application until CDPHE confirms the work required under the VCUP Application is complete.
- Town's participation in Agreement is subject to annual appropriations, to the extent Town is not being reimbursed by AR.

10.2 Support of VCUP Completion

- As long as AR is diligently implementing the work described in the VCUP Application and VCUP Work Plan and otherwise meeting its obligations under this Agreement, the Town shall support the cleanup work described in the VCUP Application and VCUP Work Plan and not seek different or more extensive remedies from EPA or CDPHE with respect to lead in soil. Nothing in this section shall be binding on or restrict the rights of Town residents who are not parties to this Agreement.
- Town will support and cooperate with AR in completing all work described in the VCUP Application and VCUP Work Plan and obtaining verification of same and all applicable VCUP NFAs and NADs from CDPHE.

ARTICLE 11: EVENTS OF DEFAULT

11.1 Events of Default Defined.

- The following shall be "Events of Default" under this Agreement:
 - Failure by AR or Town to perform any material duty or obligation under this Agreement for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied has been given to the party failing to perform,

- unless otherwise agreed. If the failure stated in the notice cannot be corrected within the applicable period, such cure period shall be extended if corrective action is instituted by AR or Town within the thirty (30) day period and diligently pursued until the default is corrected. This opportunity to cure does not apply to breaches that are not capable of being cured.
- Repeal by the Town of the ICs Regulations in their entirety, or amendment of the ICs Regulations inconsistent with the VCUP Application, VCUP Work Plan, this Agreement, and the IGA, if such repeal or amendment results in CDPHE withdrawing the VCUP approvals.

11.2 Remedies for Default

- If either party defaults and fails to timely cure, other party may elect to terminate the Agreement.
- Indemnities and covenants not to sue shall survive termination with respect to claims that accrued prior to the termination.
- Force Majeure shall excuse default.
- No claims for consequential damages if agreement is terminated.

ARTICLE 12: INSURANCE

- Town and AR to maintain and/or to require their contractors to maintain adequate insurance for the work performed under this Agreement, including:
 - Workers' Compensation Insurance in compliance with all statutory limits;
 - Employer's Liability Insurance with a limit of not less than \$1,000,000 per accident
 - Commercial or General Liability Insurance, including coverage for premises and operations, contractual liability, completed operations, with limits as required by law or with a combined single limit of not less than \$1,000,000 per occurrence, whichever is greater;
 - Automobile Liability Insurance (including owned, non-owned, and hired vehicles) with limits as required by law or with a combined single limit for bodily injury, death, and property damage of not less than \$1,000,000 per occurrence, whichever is greater,
 - Excess Liability Insurance above said employer's liability, commercial, or general liability, and automobile liability insurance with a combined single limit for bodily injury, death, and property damage of not less than \$2,000,000 per occurrence/aggregate; and
 - Professional Liability Insurance, including Environmental Impairment Coverage or Pollution Coverage Endorsement, with limits of at least \$3,000,000 per claim and \$3,000,000 annual aggregate.
- The SMP Contractor selected by AR and the SMP Contractor selected by the Town shall be required to maintain the above-listed coverages, and shall be required to list each property owner as an additional insured for the duration of the SMP Contractor's involvement in the development activity on the property owners' property.

- If Town does not presently maintain the insurance policies listed above but becomes required to maintain those insurance policies as a result of this Agreement, AR will pay for the cost of those insurance policies during the term of this Agreement.
- Each party's policies shall name the other party and the property owner as an additional named insured for the duration of the development activity on the property owner's property.

ARTICLE 13: DISPUTE RESOLUTION

- Parties will first attempt to resolve a dispute through informal negotiations.
- If informal negotiations are not successful, the parties will attempt to resolve the dispute through mediation using a mutually acceptable professional mediator funded by AR.
- If mediation is not successful, the Parties shall submit the dispute to binding arbitration in Telluride, Durango, Cortez, or in another place agreed upon by the parties. However, if the amount in dispute exceeds \$10,000 dollars or if the remedy being sought includes specific performance, either party may elect to forgo mediation and file its claim in state court. Venue for legal proceedings to resolve a dispute under this Agreement shall be in Dolores County or a neighboring county.
- AR shall reimburse the Town's reasonable attorney's fees, costs, and expenses related to such dispute, on a monthly basis. If the Town does not prevail in the dispute, AR may be entitled to be reimbursed by the Town for the reasonable attorney's fees, costs, and expenses paid to the Town by AR (but not AR's own attorney's fees, costs, and expenses), but only to the extent permitted by law.
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ARTICLE 14: MISCELLANEOUS PROVISIONS

- Access – Town will provide access to AR for any work to be performed by AR under this Agreement on Town-owned property, upon reasonable terms.
- Term of the Agreement – Agreement will terminate when work required under the VCUP Application is complete. Agreement will continue, and will not terminate, as long as work required under the VCUP Application remains to be completed, including remediation of undeveloped lots and maintenance of institutional controls pursuant to the ICs Regulations. Upon termination on this basis, owners of property, including Town as the owner of Town properties and Open Space, shall retain claims for the incremental costs of remediation. Alternatively, the Agreement may be terminated prior to completion of the work required under the VCUP Application if the parties agree on a lump sum payment to cover all of AR's funding obligations under this Agreement.
- Town to provide advance notice to AR of any pending Town dissolution
- If Town expands and annexes property, a small change (25 acres) does not alter this Agreement; a larger expansion, if such expanded area is covered by the VCUP or to be covered by this Agreement, requires revisiting this Agreement.
- Notices
- Entire Agreement
- Negation of Agency Relationship
- No admission of liability

- Governing Law – Colorado
- Binding Effect; Assignment
- No Third-Party Beneficiary
- Modification of Agreement
- Severability
- Counterparts
- Non-waiver Provision
- Financial assurances to be made by AR in the form of assurance from BP or other appropriate instruments such as a bond, letter of credit, or trust fund