State of California
DEPARTMENT OF CONSERVATION
OFFICE OF MINE RECLAMATION

SURFACE MINING INSPECTION REPORT

Instructions for completing this form are on the reverse side. Attach notice(s) of violation(s) and order(s) to comply for all observed non-compliance.

I. Mine Name as reported by Operator on Mining Operation Annual Report	Inspection Date:	CA MINE ID#:
Permanente Quarry	December 20, 2012	91 – 43 – 0004

II. SMARA Lead Agency Name (City or County only) County of Santa Clara		
Inspector Gary Rudholm		Telephone (408) 299-5747
Title Senior Planner	Organization Department of Planning & Development	
Mailing Address 70 W Hedding Street, East Wing 7th Floor		
City San Jose	State CA	ZIP Code 95110
E-mail Address (Optional) Gary.Rudholm@pln.sccgov.org		

III. Mine Operator Permanente Quarry		
Contact Person Scott Renfrew		Telephone (408) 996-4262
Mailing Address 24001 Stevens Creek Blvd.		
City Cupertino	State CA	ZIP Code 95014
E-mail Address (Optional) scott.renfrew@lehighhanson.com		

IV. Does the operation have:	P	NR	No	Yes
A permit to mine?			X	
An approved Reclamation Plan?				RP File # 2250-13-66-10P(M1)

Has the operator filed a Mining Operation Annual Report (form MRRC-2)? Check one: ☒**Yes** ☐No ☐Unknown

Is this operation on Federal Land? Check one: ☐Yes ☒**No**

If "Yes", provide one or both of the Federal Mine Land Identification Numbers below:

California Mining Claim Number (CAMC#): **N/A**

U.S. Forest Service Identification Number (USFS ID#): **N/A**

DISTRIBUTION: Original to Operator. Copies to: State (by Lead Agency), Lead Agency, State (by Operator), and BLM or USFS (if required).

SURFACE MINING INSPECTION REPORT

V. Does the Operator currently have a Lead Agency approved Financial Assurance? Check one: ☒Yes ☐No If "Yes", complete section below. If "No", refer to instructions on the reverse of this page and complete Section VI.		Inspection Date: December 20, 2012	CA MINE ID#: 91 – 43 – 0004
Type of Financial Assurance Mechanism(s)	Financial Assurance Mechanism Number(s)	Current Amount on File	Date of Expiration
☒ Surety Bond	See below.	$51,391,835.00	None
☐ Certificate of Deposit		$	
☐ Letter of Credit		$	
☐ Trust Fund		$	
☐ Pledge of Revenue		$	
☐ Budget Set Aside		$	
☐		$	
The Financial Assurance Amount **must** be adjusted annually. **Attach a copy of the revised Financial Assurance Amount calculation with this report.**		Date of Financial Assurance -Amount Calculation: See below.	
Does the current mechanism(s) on file cover the new annual calculation? ☐Yes ☐No		If "No", date operator was notified that a new mechanism is required: See below.	

VI. Financial Assurance comments.

Existing Financial Assurance:
Financial assurance posted consists of the following four bonds:
Travelers Casualty & Surety Company of America Surety Bond #64S104790142BCM ($7,570,047.00),
Travelers Casualty and Surety Company of America Surety Bond #280331 ($540,001.00),
Liberty Mutual Insurance Company Bond #022033624 ($18,963,259.00),
Lexon Insurance Company Bond #1066515 ($1,691,220.00)
Fidelity & Deposit Company Bond #09054091 ($22,627,308.00).

The County received an increase rider for Bond #09054091 on January 9, 2012, which increased the amount of that bond by a sum of $3,664,049. The County reviewed the bond increase and forwarded a copy to the Office of Mine Reclamation via certified mail on January 10, 2013. The resulting total Financial Assurance posted for Permanente Quarry is in the amount of $51,391,835.00.

SURFACE MINING INSPECTION REPORT

VII. Is the operation in compliance with provisions of the approved Reclamation Plan with respect to:	OK	VN	NI	NA	CA MINE ID # 91 – 43 – 0004
Wildlife Habitat	✓				Inspection Date: December 20, 2012
Revegetation	✓				
Agricultural Land				✓	Weather Code(s): CR
Stream Protection	✓				Duration of Inspection: 1.5 hours
Tailings and Mine Waste Management	✓				
Closure of Surface Openings	✓				Approximate Disturbed Acreage: 620 acres
Building, Structure, and Equipment Removal	✓				
Topsoil Salvage, Maintenance, and Redistribution	✓				Status of Operation Code(s): A
Backfilling, Regrading, Slope Stability, and Recontouring	✓				
Drainage, Diversion Structures, Waterways, and Erosion	✓				Status of Reclamation Code(s): R
Other (list or explain below)					

VIII. Comments/Description of Violation(s) and Corrective Measure(s) Required

This report additional information to the previous SMARA inspection report by Santa Clara County, and relates specifically to the observations made during a winterization inspection conducted at the Permanente Quarry. At the time of the inspection all quarry waters were being retained with no sediment discharged into Permanente Creek. All basin ponds next to the access roads were working satisfactorily without any erosion problems.

Refer to Attachment A for further information.

IX. Number of Violations:	Inspector's Signature:	Date Signed:
0	Gary Rudholm	January 11, 2013

DISTRIBUTION: Original to Operator. Copies to: State (by Lead Agency), Lead Agency, State (by Operator), and BLM or USFS (if required).

Attachment A

2012 Winterization Inspection of the Permanente Quarry
County File 2250-12PAM-W
State Mine ID #91-43-0004

As a follow up to the SMARA field inspections in September and October 2012 of the Permanente Quarry, the County performed a subsequent winterization inspection on December 20, 2012. Ron Chitwood and Mitch Thompson, Senior Construction Inspectors, representing the County conducted the inspection with Scott Renfro, who represented Lehigh Hanson, Inc. Field observations noted that all sediment ponds within the Quarry appeared to be performing satisfactorily. Throughout the quarry proper, numerous check dams have been created to prevent the transportation of any sediment. These check dams are monitored and cleaned out on a regular basis. Over all, the quarry appears to be performing satisfactorily and without any erosion or sediment control issues.

Photo 1
Permanente Quarry
Photo Taken December 20, 2012

View of Pond 4.
File 2250-12PAM-W
Photo by Ron Chitwood

Photo 2
Permanente Quarry
Photo Taken December 20, 2012

View of Pond #3B.
File 2250-12PAM-W
Photo by Ron Chitwood

Photo 3
Permanente Quarry
Photo Taken December 20, 2012

View of typical check dams installed along the access roads within the quarry.
File 2250-12PAM-W
Photo by Ron Chitwood

Photo 4
Permanente Quarry
Photo Taken December 20, 2012

View of Pond #17.
File 2250-12PAM-W
Photo by Ron Chitwood

Photo 5
Permanente Quarry
Photo Taken December 20, 2012

View of Pond #30.
File 2250-12PAM-W
Photo by Ron Chitwood