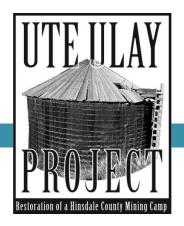


THE UTE ULAY THE MINE THAT MADE LAKE CITY

Hinsdale County, Colorado



<u>Welcome</u>

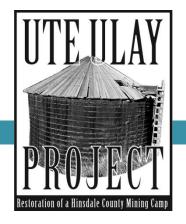
Kye Abraham LKA Gold Incorporated

Stan Whinnery Hinsdale County Commissioner

Mark Rudolph Colorado Department of Public Health & Environment (CDPHE) Superfund, Brownfield's & Voluntary Cleanup



Image used by permission from Jane E. Jones





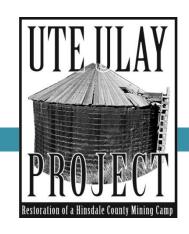




- •First patented mining claim in Hinsdale County
- •Estimated \$12 million mined between 1874 and 1903
- •Ute Ulay mining complex spurred regional development and powered Lake City's economy for decades.
- •3 1/2 miles from Lake City
- •12-acre site donated to Hinsdale County
- •Site known as former community of Henson
- Demonstrates many eras of mining technology
- •Local historically significant landmark
- •Historic structures on-site
- •Partnership of local government, a private mining company, nonprofit organizations, and state and federal agencies
- •Ute Ulay is being reclaimed as a heritage tourism destination to showcase mining history and offer outdoor recreational opportunities.

Ute Ulay Milling & Mining Complex

- •Proximity to Lake City, Colorado
- •Alpine Loop Backcountry Byway, BLM RAMP (Recreation Area Management Plan) estimates 600,000 annual visitors





UTE ILAY PROJECT Restoration of a Hinsdale County Mining Camp

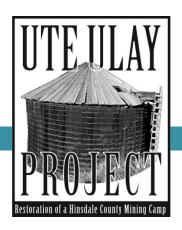
Historical Overview

- •The mining history began August 27, 1871
- •Discovery of the Ute & Ulay veins by Henry Henson, Joel Mullen, Albert Meade, and Charles Godwin
- •First patented mining claim in Hinsdale County
- •Reason for all subsequent development / exploration
- •During 1891, Ute Ulay produced over \$400,000
- •Total production was \$12 million (1891-1903)
- •Ore includes tetrahedrite, rhodochrosite, barite, pyrite
- •This base metals mine produced gold, silver, lead, and copper with zinc as a byproduct
- •Among the largest, historic producers of silver and lead in Colorado



Five Facts About the Ute Ulay

- 1) One of the largest historical communities surrounding an intact mill building and mine site
- 2) Warren Delano Franklin Delano Roosevelt's mother's father was one of the bank owners that took over during one of the Ute's many bankruptcies
- 3) Lead mined at the Ute Ulay was processed at the Crooke's Smelter and further refined at a New York City Smelter. These thin-lead sheets were purchased by Thomas Edison and used in his laboratory for experiments with the cylindrical megaphone.
- 4) The mill was powered by hydro-electric power until the dam broke. Power also came from the installation of a Buckeye battleship engine.
- 5) 326 militiamen were brought in to settle a strike with the Italian miners who were promptly fired in March 1899.



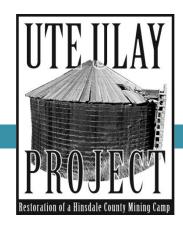




Industrial Assets of the Site

- •Limited available, developable land in Hinsdale County
- •96% public land
- Limited property tax base
- •Commercial redevelopment supports economic goals
- •Historical significance Hinsdale County landmark
- •Heritage tourism opportunities
 - Alpine Backcountry Byway
- •Hard Tack Mine neighboring property offer interpretive tours
- •Regional emphasis on mining history Animas Forks, Mayflower Mill, Underground Mining Museum, Bachelor Loop





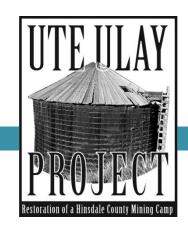
Natural Assets of the Site

- •Health and vitality of watershed Henson Creek & Lake Fork of the Gunnison River
 - •Upstream of the Town of Lake City's water source
- •Fisheries
 - Possibility for additional access to public fishing
- •Opportunities for new natural / industrial park development
- •ATV/ 4x4 travel along Alpine Backcountry Loop
- •Ice climbing
- •Other outdoor recreational opportunities

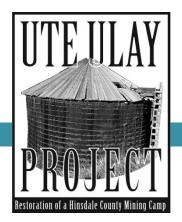


<u>Unique partnership</u>

- •LKA Gold Incorporated (publicly-held company)
- •Hinsdale County
- •Colorado Department of Public Health & Environment (CDHPE)
- •Division of Reclamation, Minerals, and Safety (DRMS) Active Mines Division & Inactive Mines Division
- Environmental Protection Agency (EPA)
- Bureau of Land Management (BLM)
- •Colorado Art Ranch
- Colorado Brownfields Foundation
- Lake City DIRT
- •Manchester Metropolitan University
- •Hinsdale County Historical Society
- •Lake City Arts
- •Lake Fork Valley Conservancy
- Town of Lake City



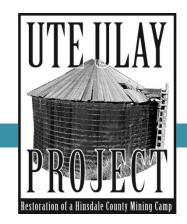




What's the Overall Plan?

- •Environmental stabilization and remediation
- •Historic preservation stabilization of buildings
- •Redevelopment of the site into heritage tourism destination
- •Commercial redevelopment economic development through concessions such as heritage tourism opportunities, lodging, and other amenities





Hinsdale County & LKA discussions, fall of 2009 Hinsdale County, DIRT & Colorado Brownfields discussions •Fall of 2009

Targeted Brownfields Assessment – Phase I for Town Site
•Purpose and Outcomes

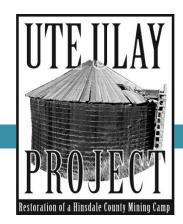
Community Champions training, Colorado Brownfields Foundation, Gunnison, Colorado, August 2010

•Development of an Action Plan

Hinsdale County identifies Ute Ulay as a local landmark

- •Site of historical significance (November 2011)
- •First and only designated site to date by Hinsdale County





Two natural occurrences
Potential for adverse affects on health of watershed

- •Dam breaking in 1973
- •Snow avalanche occurred at T-Mountain, January 2011
 - •Recurring avalanche slide zone
 - •Avalanche dams the river and in 2011, backed up water against waste rock pile





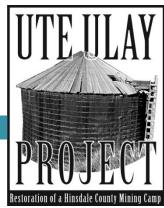


Photos by Angela Hollingsworth

Hardrock Revision: Using Art, Science and Community to Envision Uses for the Ute

Colorado Art Ranch – Summer 2011 – residency & artposium

- •Grant Pound, Executive Director 7 artists / 7 scientists
- •Hannah Fries, Massachusetts poet / assc editor of Orion Magazine
- •Bland Hoke, Wyoming transdisciplinary artist and sculptor
- •Julia Lewandoski, Public historian, writer, and musician
- •Anna Macleod, Irish sculptor, curator, and environmental artist
- •Lydia Moyer, Videographer, Documentarian, and Educator
- •Becky Sobell , Landscape Architect From Manchester, England
- •Linda Wysong, Oregon Public Artist and Community Collaborator
- •T. Allan Comp, Ph.D., OSM/VISTA Team and Brownfields Initiatives at the Office of Surface Mining
- •Joseph Ryan, Ph.D. Professor of Environmental Engineering at the University of Colorado and co-author of *Cleaning Up Abandoned Hardrock Mines in the West*
- •David Stiller, Ph.D., author of *Wounding the West: Montana, Mining, and the Environment*, hydrologist, geologist, water resources consultant, educator, nurseryman, former executive director of North Fork River Improvement District
- •Rob Blair, Ph.D., editor of Western San Juan Mountains: their geology, ecology and human history, and co-founder/president of the Mountain Studies Institute

























High Country News article

Can an old mine become a work of art?
November 2011

Bank Stabilization Assessment DRMS, Fall 2011

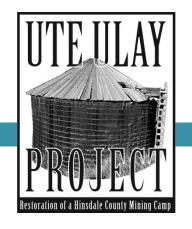
Becky Sobell, Landscape Architect, additional site development ideas – blog

Manchester Metropolitan University Winter 2012

Colorado Matters

Silver Mine Promised a New Life January 2012

Targeted Brownfields Assessment, Phase II – Town Site Voluntary Clean-up Plan – Town Site





UTE ILAY

PROJECT

Restoration of a Hinsdale County Mining Camp

Town Site conveyed to Hinsdale County

•September 2012

Permanent closure of two abandoned portals / adits

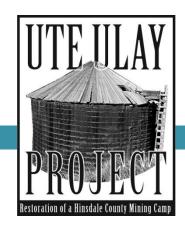
•Fall 2012 – DRMS

Stabilization of the Historic Head-frame

•Fall 2012 - DRMS





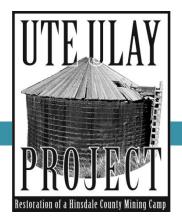


Environmental Remediation Work – Town Site - Fall 2012

- •Approval of Voluntary Clean-up Plan
- •Site Safety and Health Plan (SSHP)
- •Stormwater management plan
- •XRF surveys
- •Drainage run-on control channels / grading
- •Waste rock into on-site repositories / capped
- •Contour waste rock pile / cap with gray waste rock
- Construct rock wall
- •Amended soil / hiking trail / vegetated
- •EPDM liner
- •Re-installed crib sets
- •Removed five 35-cubic yard roll-offs of general debris
- •Segregated and removed 32 tires







Mine / Mill Site

Voluntary Clean-up Report

- •RMC Consultants, Inc.
- •Colorado Brownfields Foundation January 2013

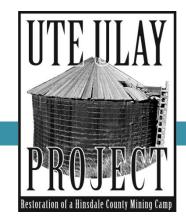
Phase 1 – Targeted Brownfields Assessment

- •Timeframe
- Outcomes

Phase II

Sampling





Associated Press article

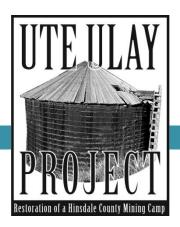
Colorado County sees tourism in historic silver mine

•March 2013

Reasonable Steps Letter March 2013 •Purpose

Mill/Mine Site donated to County, April 2013





Next Steps

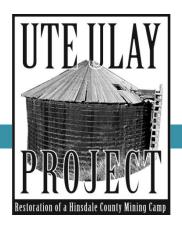
Environmental Remediation of Mill/Mine Site

- •Hinsdale County will apply for Succession of Operations
- •Purpose of site to be reclassified as a Heritage Tourism Destination
- •Update the Technical Revision with new outcomes/goals
- Permanent closure of portal
- •Clean-out of Mill Building
- •Fund-seeking

Bank Stabilization and Capping of Waste Rock Pile

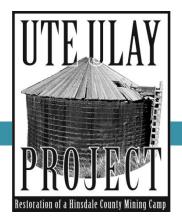
Working with partners





Next Steps

- •Nominate site for Colorado's Most Endangered Places (Fall 2013)
- Seek funds for historic preservation of buildings
- •Develop heritage tourism products signage, brochures
- •Collect stories and histories from mill/mine workers
- •GOCO planning grant for new park development (Fall 2013)
- •Redevelopment of a commercial zone



Thank you

Commissioner Stan Whinnery stan.whinnery@yahoo.com 970-944-2225

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