

October 2, 2012

To: Mayor Feibelman and City Council

From: City Administrator Cain

The City Quarry Commission met on October 1, 2012 and considered a Partial Exemption Permit for Austin Powder Company to conduct blasting activities at the Hanson Quarry.

Austin Powder Company is requesting the Partial Exemption Permit in accordance with Ordinance 34. Per their request blasting activities will be limited to the upper bench on the West Face with generally one blast per week through the end of 2012. Hanson would like to retain Austin Powder to continue blasting in this area, closest to Trophy Oaks. Hanson further feels that with Austin Powder's history in blasting in this area it is critical in maintaining the blasting expectations in relation to Ordinance 34.

The Quarry Commission by unanimous vote recommends City Council approval of a Partial Exemption Permit for Austin Powder.

The City Quarry Commission at the October 1, 2012 meeting considered the Partial Exemption Permit Fee for Austin Powder.

After lengthy discussion and consideration the Quarry Commission recommends City Council waive the annual fee for the Partial Exemption Permit for Austin Powder since they had already paid a \$175.00 fee for their 2012 blasting permit prior to passage of Ordinance 34 in July 2012, they are doing the city a favor by continuing to blast the West Face, there is no reason to charge additional fees to Austin Powder therefore they are exempt from additional fees since the fees have been paid by Orica and that each individual blaster complies with the terms of Ordinance 34.

It is my recommendation however that since Ordinance 34 calls for a Partial Exemption Permit and Partial Exemption Permit Fee that to remain consistent and equal that Austin Powder Company be assessed a Partial Exemption Permit Fee as was the case with Orica USA. Orica USA paid a Partial Exemption Permit Fee of \$5,342 which was based on administrative costs of the city for logging blasts to occur/occurring, taking and tracking citizen blast reports, disseminating the blast reports to the Quarry Commission and posting of blast data on the city website as well as the \$175 application fee (included in the \$5,342 fee). I have taken the fee paid by Orica and calculated it out to a cost of \$37 per blast based on the number of blasts that occurred during the period of October 1, 2011 to September 30, 2012. It is further recommended that the Partial Exemption Permit Fee either be assessed on the number of blasts Austin Powder anticipates to conduct by December 31, 2012 times \$37 per blast or assess a monthly rate to Austin Powder based on the total fee paid by Orica.

Quarry Commissioner Jerry Warden will be present at the Quarry Commission's recommendation to the City Council at the October 3, 2012 City Council meeting.

Nancy Cain

From: Bruce Northup [Bruce.Northup@austinpowder.com]
Sent: Sunday, September 16, 2012 10:50 PM
To: 'Nancy Cain'
Cc: Ken.early@hanson.biz; Robert Giovando; Don Harborth; Darryl Borg; Brian Foerster; Jacob Gleason; Gunnarson; Robert J - SAN ANTONI TX; Robert J - SAN ANTONI TX
Subject: Blasting Permit
Attachments: Servtex Split Bench Blast Plan.zip

Nancy per the blast committees request we are asking that our current permit be extended or a temporary exempt permit be issued. Our blasting activities will be limited to the upper bench on the West Face and will generally be one blast per a week until years end or sooner. The information you require under ORD 34 attach B is attached. If you need any further information .you can e-mail or call me at 512-294-6116.

(See attached file: Servtex Split Bench Blast Plan.zip)



**Hanson Aggregates
South Texas
Servtex Plant**
P.O. Box 311535
New Braunfels, TX 78131
Tel 210-658-7461
Fax 210-581-0079

September 13, 2012

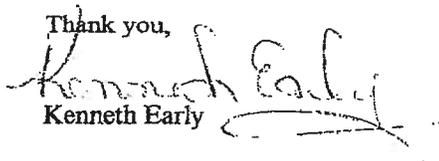
Ms. Nancy Cain
City Administrator
City of Garden Ridge
9500 Municipal Parkway
Garden Ridge, Texas 78266-2600

RE: Hanson's use of Austin Powder Company as a Temporary Blasting Contractor

Ms. Cain

Given the sensitivity of blasting on the 50' bench located closest to the Trophy Oaks subdivision, Hanson has made the decision to retain Austin Powder to blast in this area for the remainder of 2012. Austin's history in working in this area is critical in maintaining agreed upon blasting expectations.

Thank you,

A handwritten signature in cursive script that reads 'Kenneth Early'. The signature is written in dark ink and is positioned above the printed name 'Kenneth Early'.

Kenneth Early

FROM :

FAX NO. :

Jan. 10 2012 04:27PM P1



2012

CITY OF GARDEN RIDGE

RECH: 00110393 1/10/2012 3:20 PM

TRON: 102.0000 BUSINESS PERMITS

OPER: CASH TERM: 001

REFID: 001

City of Garden Ridge

BUSINESS PERMITS
TENDER: 9400 Municipal Parkway, Suite 100
Garden Ridge, Texas 78866

APPLIED: (910) 881-8831
CHANGE: Fax: (910) 881-9838

PERMIT NO. 2034

APPLICATION FOR BLASTING PERMIT

Application is hereby made to the City of Garden Ridge for a permit to conduct blasting operations in accordance with plans and specifications submitted herewith, or previously submitted, and in full conformity with provisions of all ordinances, regulations and laws pertaining to blasting operations which are specified herein. The location and other required data for the operation are as follows:

Street Number FW 2252 Property Owner John Anderson Anderson

Purpose of Blasting To Erect a new Roof

Proposed Date(s) of Blasting All of 2012 (later than 1-1-12)

Contractor Austin Powder Co. Address 2696 FM 1102, Suite 100, Houston, TX 77050

Blaster Donato Garbanti Address 2201 W. Lyndon Road, Houston, TX 77050

Blaster's Qualification 3 years experience - City of Garden Ridge - 2 years - 10' clearance

Carrier of Insurance _____

Manner of Use and Type of Explosives to be used in the construction of a new roof
with the use of dynamite

In making application for this permit, my signature hereto certifies that I am aware of Garden Ridge City Ordinance 34 and agree to the provisions therein, will provide a certificate of insurance and that all personnel charged with the safe operation of this blasting proposal will comply with the provisions of the ordinance and other regulations pertinent to the safety of blasting operations.

Signature and Title of Applicant: John Anderson - Location Director

Permit is hereby granted to Austin Powder to conduct blasting operations as stated above on the site indicated and on the specified date(s) indicated, in compliance with the ordinances and laws of the City of Garden Ridge, Comal County, Texas, and all applicable CSHA Regulations.

Signed and approved this 10th day of January, 2012.

Signature of City Administrator/City Secretary

Blasting Permit Fee of \$ 175.00 received in cash _____ or check _____

AUSTIN POWDER COMPANY

Technical Services



Blast Plan Hanson Servtex 2012

West face Split Bench

- All areas will be profiled prior to drilling.
- Profiles will be dated and saved to digital media in case information is required later.
- The face height will be maintained between 55 and 60 feet.
- Any deviation in bench height of more than 5% will be reported to the quarry superintendent immediately and solutions discussed at that time. Any changes in bench height or actions taken to correct the bench height will be clearly noted in the blast report.
- Hole depths will be verified and checked against the drill logs. Drill logs will be attached to their respective blast reports. Any deviation in hole depth 5% or more as well as potential problems noted in the drill logs will be brought to the quarry superintendent's attention for discussion and resolution.
- If conditions on the bench pose a safety hazard the mine superintendent will be notified immediately so conditions and solutions can be discussed.

Timing and Patterns

- Blasts on the West 50ft benches shall be a single row. Cut shots will be a single row.
- All blasts will be modeled for timing and neighbour impact mitigation
- Multiple row blasts will be laid out on a staggered pattern.
- If cracks from fault lines prohibit pattern layout or might create an unsafe drilling or loading condition, it will be immediately brought to the mine superintendent's attention so conditions and solutions can be discussed.
- Burden and spacing will be verified prior to blasting. If burden or spacing deviate from blast plan by two feet or more it should be reported to the quarry superintendent immediately and solutions discussed at that time.
- Any deviation from this plan should be discussed, approved by the quarry superintendent, and clearly noted in the comments section of the blast report. All factors should be considered and discussed prior to deviating from the blast plan.

Monitoring

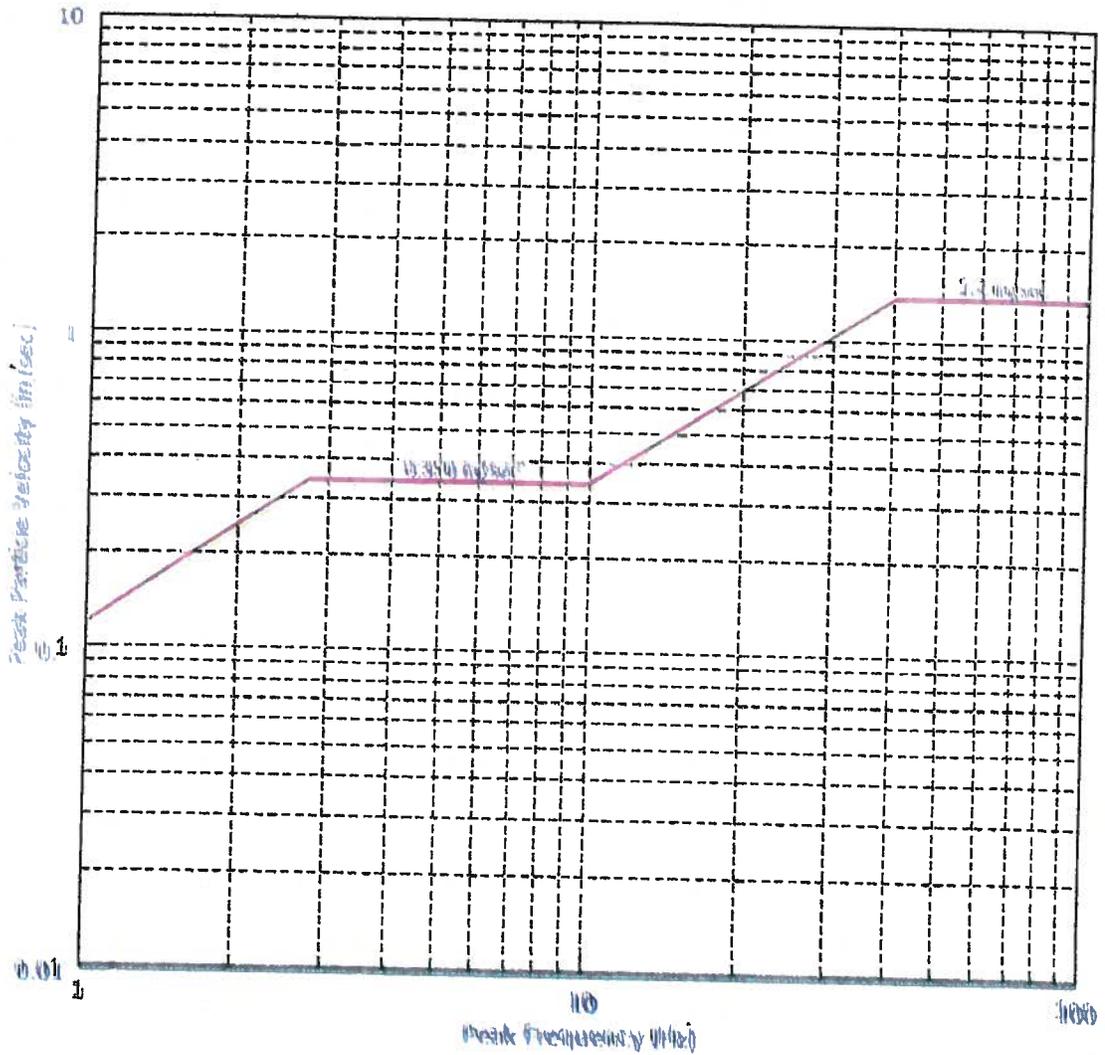
- Vibra Tech Engineers will do primary seismic monitoring.
 - **Air Blast Limit** – Air Blast shall not exceed 122 dB as recorded by any city designated monitor.
 - **Ground Vibration Limit** – Ground vibration shall not exceed the frequency based PPV limit of 70% of the USBM Z-Curve. See Attachment C, which is contained in City of Garden Ridge, Texas Ordinance 34-072012 document.

Administrative

- Daily inventories and the use per day will be turned in to the quarry location manager. The quarry location manager will co-ordinate with Lehigh Hanson office personnel for purchase orders and invoices.
- Copies of the blast reports will be provided to the quarry administrative office and the location manager within 24 hours of the blast.

Attachment C:
Red Line – 70% of USBM Z – Curve (provided by Vibra-Tech)

GARDEN RIDGE QUARRY COMMISSION





City of Garden Ridge

9400 Municipal Parkway
Garden Ridge, Texas 78266
(210) 651-6831
Fax: (210) 651-9638

PERMIT NO. 2034

APPLICATION FOR BLASTING PERMIT

Application is hereby made to the City of Garden Ridge for a permit to conduct blasting operations in accordance with plans and specifications submitted herewith, or previously submitted, and in full conformity with provisions of all ordinances, regulations and laws pertaining to blasting operations whether specified herein or not. The location and other required data for the operation are as follows:

Street Number FM 2252 Property Owner Heidelberg / Hutson

Purpose of Blasting To Excavate Rock

Proposed Date(s) of Blasting 10-3-12 to 12-31-12

Contractor AUSTIN POWDER Address 2096 FPI 1101 Seguin, TX 78155

Blaster DON HARIBORTH Address 2701 Kingwood Cynche Street, TX 78154

Blaster's Qualifications 35 yrs Exp City of San Antonio & Bexar Co. Lic. All certified

Certificate of Insurance ON FILE

Manner of Use and Type of Explosive: Construction & E. hole bulk production blasting
Electronic Detonator West Face Split Batch

In making application for this permit, my signature hereto certifies that I am aware of Garden Ridge City Ordinance 34 and agree to the provisions therein, will provide a certificate of Insurance and that all personnel charged with the safe operation of this blasting proposal will comply with the provisions of the ordinance and other regulations pertinent to the safety of blasting operations.

Signature and Title of Applicant [Signature] Div Tech Rep

Permission is hereby granted to _____ to conduct blasting operations as stated above on the site indicated and on the specified date(s) indicated, in compliance with the ordinances and laws of the City of Garden Ridge, Comal County, Texas, and all applicable OSHA Regulations.

Signed and approved this _____ day of _____ 20____.

Signature of City Administrator/City Secretary

Blasting Permit Fee of \$ _____ received in cash _____ or check _____

accordance with the provisions of Title XI, Organized Crime Control Act of 1970, and the regulations issued thereunder (27 CFR Part 555), you may engage in activity specified in this license or permit within the limitations of Chapter 40, Title 18, United States Code and the regulations issued thereunder, until the expiration date shown. THIS LICENSE IS NOT TRANSFERABLE. See "WARNINGS" and "NOTICES" on reverse.

Chief ATF
Correspondence To
ATF - Chief, FBLC
244 Noody Road
Martinsburg, WV 25405-9431

5-TX-187-20-5R-01587

Chief, Federal Explosives Licensing Center (FELC)

Exp. Date

February 1, 2015

Business Name
AUSTIN POWDER CENTRAL STATES LLC

Business Address (Changes? Notify the FELC within 10 days of change)

7688 FM 1101
SEGUIN, TX 78155

Type of License or Permit

20-MANUFACTURER OF EXPLOSIVES

Purchasing Certificate

Mailing Address (Changes? Notify the FELC of any changes.)

The licensee or permittee named above shall use a purchasing certificate to purchase explosives to verify the identity and the quantity of explosives to be purchased as provided by 27 CFR Part 555. The licensee or permittee shall maintain a file of all purchases. A faxed, scanned or e-mailed copy of the license or permit with a signature added to be an original signature is acceptable. The signature of the licensee or permittee (FELC) or a responsible person of the licensee or permittee shall be the signature of a licensee or permittee issued to the licensee or permittee for business or operations specified above under "Type of License or Permit".

AUSTIN POWDER CENTRAL STATES LLC
26600 S. W. 11TH AVENUE
CLUBB, FL 33411-1122

Licensee/Permittee Responsible Person Signature
Brian Forrester

Position/Title

BRIAN FORRESTER

4-30/2012

Printed Name

Date

Various Editions in Circulation. THIS LICENSE IS NOT VALID FOR THE SALE OR OTHER DISPOSITION OF EXPLOSIVES.

ATF Form 5406.1 (4-2000) Part I
Revised October 2011

Federal Explosives License (FEL) Customer Service Information

Central Explosives Licensing Center (FELC)
4 Noody Road
Martinsburg, WV 25405-9431

Toll-free Telephone Number: (877) 293-3352
Fax Number: (304) 616-4401
E-mail: FELC@atf.gov

ATF Homepage: www.atf.gov

Change of Address (27 CFR 555.54(a)(1)). Licensees or permittees may during the term of their current license or permit remove their business or operations to a new location at which they intend regularly to carry on such business or operations. The licensee or permittee is required to give notification of the new location of the business or operations not less than 10 days prior to such removal with the Chief, Federal Explosives Licensing Center. The license or permit will be valid for the remainder of the term of the original license or permit. (The Chief, FELC, shall, if the licensee or permittee is not qualified, refer the request for amended license or permit to the Director of Industry Operations for denial in accordance with § 555.54.)

Right of Succession (27 CFR 555.59). (a) Certain persons other than the licensee or permittee may secure the right to carry on the same explosive materials business or operations at the same address shown on, and for the remainder of the term of, a current license or permit. Such persons are: (1) The surviving spouse, child, or executor, administrator, or other legal representative of a deceased licensee or permittee; and (2) A receiver or trustee in bankruptcy, or an assignee for the benefit of creditors. (b) In order to secure the right provided by this section, the person or persons continuing the business or operations shall furnish the license or permit for that business or operations for endorsement of such succession to the Chief, FELC, within 30 days from the date on which the successor begins to carry on the business or operations.

(Continued on reverse side)

Not Here X

Federal Explosives License/Permit (FEL) Information Card

License/Permit Name: AUSTIN POWDER CENTRAL STATES LLC

Business Name:

License/Permit Number: 5-TX-187-20-5R-01587

License/Permit Type: 20-MANUFACTURER OF EXPLOSIVES

Expiration: February 1, 2015

Please Note: Not Valid for the Sale or Other Disposition of Explosives.





CERTIFICATE OF LIABILITY INSURANCE

AUSTPOW-07

DEKA

DATE (MM/DD/YYYY)

5/31/2012

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER The James B. Oswald Company 1360 East 9th Street, #600 Cleveland, OH 44114-1730		(216) 367-8787		CONTACT NAME Katy Delaney	
		PHONE (A/C No. Ext) (216) 658-8016		FAX (A/C No.) (216) 658-8017	
		E-MAIL ADDRESS: kdelaney@oswaldcompanies.com			
INSURER(S) AFFORDING COVERAGE					
INSURER A: LANCER INSURANCE COMPANY				NAIC # 26077	
INSURER B: Ins Co of The State of PA				19429	
INSURER C:					
INSURER D:					
INSURER E:					
INSURER F:					

INSURED
 Austin Powder Company
 28800 Science Park Drive
 Beachwood, OH 44122

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR	WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> GENERAL LIABILITY			GL803261	6/1/2012	6/1/2013	EACH OCCURRENCE \$ 2,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 2,000,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						MED EXP (Any one person) \$ 5,000
							PERSONAL & ADV INJURY \$ 2,000,000
							GENERAL AGGREGATE \$ 2,000,000
							PRODUCTS - COMP/OP AGG \$ 2,000,000
							\$
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY			BA803260	6/1/2012	6/1/2013	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000
	<input checked="" type="checkbox"/> ANY AUTO						BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS		<input type="checkbox"/> SCHEDULED AUTOS				BODILY INJURY (Per accident) \$
	<input checked="" type="checkbox"/> HIRED AUTOS		<input checked="" type="checkbox"/> NON-OWNED AUTOS				PROPERTY DAMAGE (Per accident) \$
							\$
A	<input type="checkbox"/> UMBRELLA LIAB		<input checked="" type="checkbox"/> OCCUR	X8803262	6/1/2012	6/1/2013	EACH OCCURRENCE \$ 3,000,000
	<input type="checkbox"/> EXCESS LIAB		<input type="checkbox"/> CLAIMS-MADE				AGGREGATE \$ 4,000,000
	<input type="checkbox"/> DED	<input checked="" type="checkbox"/> RETENTION \$	Nil				\$
B	<input checked="" type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			WC1591438	6/1/2012	6/1/2013	<input checked="" type="checkbox"/> WC STATUTORY LIMITS
	<input type="checkbox"/> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)		Y/N				E.L. EACH ACCIDENT \$ 2,000,000
	<input type="checkbox"/> If yes, describe under DESCRIPTION OF OPERATIONS below		N/A				E.L. DISEASE - EA EMPLOYEE \$ 2,000,000
							E.L. DISEASE - POLICY LIMIT \$ 2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER

CANCELLATION

FOR INFORMATION ONLY

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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October 2, 2012

To: Mayor Feibelman and City Council

From: City Secretary Cain

Quarry Commissioner Jerry Warden will be present at the City Council meeting on October 3, 2012 to update the City Council on the procedures being considered by the Commission concerning notifying citizens of impending blasts.

At this time the Quarry Commission does not have a recommendation for action by the City Council on this matter.