



County of Malheur

251 'B' STREET WEST • VALE, OREGON 97918

February 4, 2019

VIA EMAIL ONLY GStephenson@SCHWABE.com

Garret H. Stephenson, Schwabe, Williamson & Wyatt P.C.
For Calico Resources USA Corp

VIA HAND DELIVERY

Eric Evans, Malheur County Planning Director
Malheur County Planning Commission

RE: Conditional Use Permit Application
Calico Resources USA Corp. / Grassy Mountain Mine Project

Dear Calico Resources USA Corp. and Malheur County Planning Department:

The Malheur County Road Department provides the following standards for the access roads into the Grassy Mountain Mine Project:

Russell Road

Construct and improve the entire 4 mile length of Russell Road to the design standards of a minor collector roadway. Standards for a minor collector roadway are specified in Appendix F, Drawing S-3 of the Malheur County Transportation System Plan, which is attached. However, the road shoulder can be rocked and sidewalk, curb and gutter are not required. The existing paved portion of Russell Road (approximately 2.75 miles) may need to be repaved following Calico's construction phase of its project site. It is in the public's best interest and Malheur County requests that complete road improvements to Russell Road not occur until AFTER construction of Calico's project site; but within 90 days following construction.



Cow Hollow Road

Cow Hollow Road is to be graveled and improved to the same design standards as Russell Road (Appendix F, Drawing S-3 Malheur County Transportation System Plan – except no asphalt, sidewalk, curb or gutter). Instead of asphalt, an additional 6" of $\frac{3}{4}$ " minus leveling course rock must be applied. These road standards must be met but not complete until AFTER construction (within 90 days) of Calico's project site.

Twin Springs Road

Malheur County will defer to BLM for road design and construction standards of Twin Springs Road. From our perspective, Twin Springs Road should be improved at the same time, to the same standards and using the same materials as Cow Hollow Road set forth above.

Design. Road construction specifications and drawings must be designed by a professional engineer, and approved by the Malheur County Surveyor/ Professional Engineer in advance.

Construction. A separate permit for construction of the roads will be issued by Malheur County. Calico and/or its road contractor must comply with all general and special provisions of the permit including general liability insurance requirements, indemnification and guarantee of work.

Maintenance Agreement. During construction of the project site, Malheur County and Calico will need to enter into a maintenance agreement for the roads. Calico will be responsible to repair damages to the roads caused by Calico, dust abatement, traffic control and other temporary maintenance issues associated with use of the roads during Calico's construction period. Once the roads are fully improved, constructed and accepted by the County an on-going maintenance agreement may be necessary, at the discretion of the County, if Calico's use of the roads will consist of regular heavy hauling.

Bond. A bond may be imposed in the amount of not less than \$3 million dollars to insure construction and maintenance of the roads.

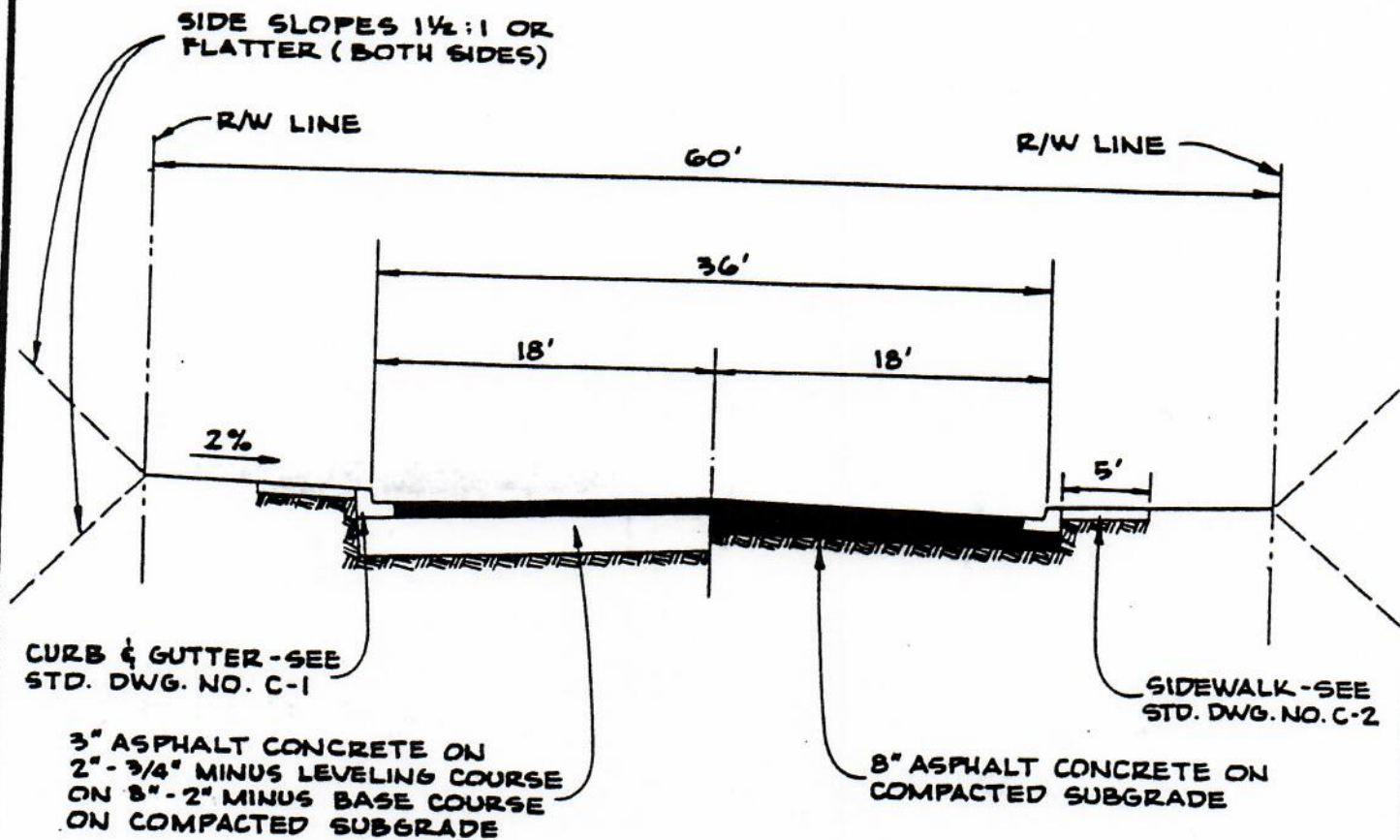
If you have any questions or concerns, please contact us.

A handwritten signature in blue ink, appearing to read "Tom Edwards P.E.", written over a horizontal line.

Tom Edwards, Malheur County Surveyor/ P.E.
(541) 473-5520
tom.edwards@malheurco.org

A handwritten signature in blue ink, appearing to read "David Tiffany", written over a horizontal line.

David Tiffany, Malheur County Roadmaster
(541) 473-5191
david.tiffany@malheurco.org



NOTES:

1. TOP OF CURB TO BE SAME ELEVATION AS CENTER CROWN.
2. ALTERNATE LOCATION OF SIDEWALK IS 0.5' FROM R/W LINE.

MINOR COLLECTOR
ROADWAY
TYPICAL SECTION

APPROVED BY: _____ DATE: _____

STD. DWG.
S-3