

Deicing Technology P.O. Box B Lansing, NY 14882

November 24, 2014

Mr. Matthew Podniesinski
Chief, Resource Development Section
Bureau of Resource Management & Development
Division of Mineral Resources
New York State Department of Environmental Conservation
625 Broadway, Third Floor

NUV 2 6 2014

RE:

Annual Report for Mine File #709-3-29-0052; Cayuga Salt Mine

Permit ID#0-9999-00075-00001

Albany, New York 12233-6500

Towns of Lansing and Ulysses, County of Tompkins

Town of Covert, County of Seneca

#### Dear Mr. Podniesinski:

Enclosed is an annual report required in accordance with the Special Conditions section (item numbers 12.a through 12.g) of DEC permit number 0-9999-00075/00001. This report will address each reporting requirement separately (12a.1, 12.a.2, etc.) and drawings are attached as required. As requested, all technical data associated with monitoring of mine stability will be sent to J.T. Boyd and Associates with attention to Dr. Vincent Scovazzo. A copy of this report is in the mail to Lucas Mahoney, the Region 7 Mined Land Reclamation Specialist and to Steven Army, the Region 8 Mined Land Reclamation Specialist.

If any questions arise please bring them to my attention at your earliest convenience.

With Best Regards,

Shawn G. Wilczynski

Mine Manager - Cargill Deicing Technology

Annual Reporting, Monitoring, and Notifications

## 12.a.1 - Cargill Cayuga Mine Manager Certification:

I, Shawn G. Wilczynski, Mine Manager – Cargill Deicing Technology, certify that all mining activities, to the best of my knowledge, conducted during the reporting period from November 1, 2013 to present were in conformance with the DEC Permit # 0-9999-00075/00001 and the approved plans. No variances occurred and none were reported.

Signed: Date: 11/21/14

# 12.a.2 - Summary of all non-routine mining incidents:

The Cayuga Mine is not aware of any non-routine incidents associated with the mining, processing, or other mine related activities that would have adversely affected any of the following;

- Mine stability
- · Ground and surface water
- Natural resources
- Health, safety, welfare or property of the general public

# 12.a.3 - 3 Year Mining Plan

A map is attached depicting the current and proposed mining for the next three years.

The Cayuga Mine is currently operating in the northern region of the mine. Active mining is located in panels U-62B and U-72 to the west, and NW-3 to the north. As can be seen on the map, mining is proposed to continue east from U-63 under the land, pending acquisition of mineral rights there. No mining will be done where Cargill does not own the mineral rights or where the Mined Land Reclamation Permit does not allow.

## 12.a.4 - Summary of In-situ Measurements of Rock Mechanics:

The Cayuga Mine continues to collect mine convergence data in accordance with the guidelines previously established in the Mined Land Use Plan. Convergence stations are typically installed at the "face" of active tunnels in mining panels with a profile of three stations located in the center and edges of the panel. The convergence stations are usually read daily during the first week and then shifted to a weekly schedule until the next profile is installed. The initial profile will then be monitored on a monthly or quarterly schedule for the duration of mining of the panel. After abandonment of the panel, specific convergence stations are monitored quarterly. Currently, there are over 300 convergence stations being monitored. Once the data from the convergence stations has been collected it is evaluated both internally and externally for trends to ensure that each panel and the mine are behaving properly.

Roof sag, measured with extensometers, is also monitored as conditions warrant. This data is reviewed internally and externally as well.

Evaluations of weekly and quarterly convergence data indicate that no unusual trends have been identified and the mine is behaving as expected, with the exception of the U-40B and U12 areas. Since backfill placement in the U40B area has been completed the convergence rates have slowed and are trending back toward historical rates. The U-12 panel also shows higher than normal closure near the breakthrough with SW-2 and near the U-12A sub-panel. These areas are being monitored more

frequently as we try to understand why the rates are increased. Both of these areas in U-12 were backfilled during the 1990's and both areas show a decreasing rate trend at this time.

# 12.a.5 - Summary of Subsidence Monitoring:

Surface subsidence measurements continue to be performed in accordance with the Mined Land Use Plan. Plans are being made with a new surveying contractor to conduct subsidence surveys of the surface in the 2015 calendar year. Past measurements indicate that the mine is behaving as expected with no anomalous subsidence zones.

# 12.a.6 Source and Volume of Water Inflow Into the Mine and Disposition of Such Water: The following is a list of sources and associated flow rates of water into the Cayuga Mine:

- Production Shaft (#1 shaft) 30 gallons per minute
- Ventilation Shaft (#2 shaft) 10 gallons per minute
- ED Plant Concentrate discharge 4 gallons per minute
- Total Water Inflow = 44 gallons per minute

All of the water is directed to a settling pond located on the 4-level of the mine. The water is then pumped from the settling pond to abandoned areas at the far east end of 4-level as well as to various areas of the active mine for dust control. Recent volume calculations indicated that at our current rate of storage (about 16,800,000 gallons per year) we have approximately 7.9 years of storage life remaining on 4-level.

Action plans are in place to continue to reduce the inflow into the mine. A system for collecting the #1 shaft water inflow and for pumping it to surface for processing has been installed and is now operational. It is being optimized now. Once the processing system is fully operational it is expected to reduce inflow by an additional 3 gpm (~1,500,000 gpy). A new sump monitoring system has been installed at the "lower" salt storage pad which diverts water to the ED plant system only when it exceeds NYS PDES allowable limits. This will reduce the volume of water that is processed at the ED plant.

The shaft water inflows have been increasing over the past 10 years and have become a concern. The Cayuga Mine is now pursuing contractors that can help grout the #1 shaft inflows to reduce them to tolerable levels.

#### 12.a.7 - Summary of SPDES Monitoring Data:

There were no exceedances of the SPDES limits for the outfalls or the Waste Water Treatment Plant to report during the time of this report. The data is included here as an attached spreadsheet. If an exceedance occurs it is reported to the DEC in two ways. Once an exceedance has been identified the DEC is informed via telephone of the occurrence. Each event is also captured in the monthly Report of Non-Compliance, which also lists corrective action taken.

#### 12.b - Notification of Non-routine Mining Incidents:

There were no incidents meeting the guidelines for notification as identified in section 12.a.2.

# 12.c. - MSHA Correspondence Involving Non-routine Mining Incidents:

The Cayuga Mine has not received any citations or correspondence from MSHA regarding non-routine mining incidents as identified in section 12.a.2.

# 12.d. - Changes in Mining Method:

There have been no changes to the Cayuga Mine layout in the past year.

# 12.e. - Surface Subsidence:

Surface subsidence surveys continue to be done in accordance with the Mined Land Use Plan. See section 12.a.5 of this report.

# 12.f. - In-situ Rock Mechanics Measurements:

See section 12.a.4 of this report.

# 12.g. - Written Citizen Complaints:

No written complaints from citizens were received since the last report (November 2013).

# 2014 DEC Report Outfall Results (Nov 2013 through Oct 2014)

Red = exceedance

| Red = exceedance |       |          |      |            |            |      |      |            |      |  |  |  |
|------------------|-------|----------|------|------------|------------|------|------|------------|------|--|--|--|
| CYANIDE          |       | OUTFALLS |      |            |            |      |      |            |      |  |  |  |
|                  | 001   | 002      | 003  | 004        | 005        | 006  | 007  | 800        | 012  |  |  |  |
| Permit Limit     | 1.1   | 0.1      | 0.1  | 0.1        | 0.1        | 0.1  | 0.1  | 0.1        | 0.1  |  |  |  |
| Month/Year       |       |          |      | Eliminated | Eliminated |      |      | Eliminated |      |  |  |  |
| November         | 0.92  | <.01     | <.01 |            |            | NF   | <.01 |            | <.01 |  |  |  |
| December 2013    | 0.24  | <.01     | <.01 |            |            | <.01 | <.01 |            | <.01 |  |  |  |
| January 2014     | 0.38  | <.01     | <.01 |            |            | NF   | NF   |            | <.01 |  |  |  |
| February         | 0.18  | <.01     | <.01 |            |            | NF   | NF   |            | NF   |  |  |  |
| March            | 0.13  | NF       | NF   |            |            | NF   | NF   |            | NF   |  |  |  |
| April            | 0.37  | 0.03     | <.01 |            |            | 0.02 | <.01 |            | <.01 |  |  |  |
| May              | 0.065 | <.01     | <.01 |            |            | <.01 | <.01 |            | <.01 |  |  |  |
| June             | 0.24  | NF       | <.01 |            |            | NF   | <.01 |            | <.01 |  |  |  |
| July             | 0.32  | 0.014    | <.01 |            |            | NF   | <.01 |            | <.01 |  |  |  |
| August           | 0.065 | <.01     | <.01 |            |            | <.01 | <.01 |            | <.01 |  |  |  |
| September        | 0.39  | <.01     | <.01 |            |            | <.01 | <.01 |            | <.01 |  |  |  |
| October          | 0.29  | <.01     | <.01 |            |            | <.01 | <.01 |            | <.01 |  |  |  |

| CHLORIDE   | OUTFALLS    |             |             |            |            |            |            |            |            |  |  |  |
|--|-------------|-------------|-------------|------------|------------|------------|------------|------------|------------|--|--|--|
| in a management of the control of th | 001         | 002         | 003         | 004        | 005        | 006        | 007        | 800        | 012        |  |  |  |
| Permit Limit   | 40,000 mg/l | 10,000 mg/l | 10,000 mg/l |            |            | 5,000 mg/l | 5,000 mg/l |            | 5,000 mg/l |  |  |  |
| Month/Year   |             |             | N           | Eliminated | Eliminated |            |            | Eliminated |            |  |  |  |
| November   | 36,000      | 1,300       | 600         |            |            | -          | 400        |            | 1,900      |  |  |  |
| December 2013  | 22,000      | 2,500       | 690         |            |            | 2,100      | 290        |            | 1,300      |  |  |  |
| January 2014   | 28,000      | 1,400       | 1,200       |            |            | -          | -          |            | 2,400      |  |  |  |
| February   | 30,000      | 2,100       | 940         |            |            | -          | -          |            | -          |  |  |  |
| March  | 30,000      | - 1         | -           |            |            | - 1        | -          |            | -          |  |  |  |
| April  | 25,000      | 1,500       | 1,000       |            |            | 1,200      | 420        |            | 1,000      |  |  |  |
| May  | 17,000      | 4,500       | 2,000       |            |            | 1,400      | 260        |            | 1,200      |  |  |  |
| June   | 26,000      | -           | 680         |            |            | -          | 300        |            | 1,600      |  |  |  |
| July   | 29,000      | 3,300       | 2,700       |            |            | -          | 390        |            | 1,600      |  |  |  |
| August   | 15,000      | 2,400       | 630         |            |            | 790        | 300        |            | 2,000      |  |  |  |
| September  | 33,000      | 3,300       | 780         |            |            | 900        | 470        |            | 4,000      |  |  |  |
| October  | 23,000      | 3,800       | 690         |            |            | 1,800      | 560        |            | 3,100      |  |  |  |

| TDS           |             |             |             |            | OUTFALLS   | Management 1 |             |            |             |
|---------------|-------------|-------------|-------------|------------|------------|--------------|-------------|------------|-------------|
| -             | 001         | 002         | 003         | 004        | 005        | 006          | 007         | 800        | 012         |
| Permit Limit  | 80,000 mg/l | 40,000 mg/l | 40,000 mg/l |            |            | 10,000 mg/l  | 10,000 mg/l |            | 10,000 mg/l |
| Month/Year    |             |             |             | Eliminated | Eliminated |              |             | Eliminated |             |
| November      | 54,000      | 2,300       | 1,800       |            |            | -            | 1,100       |            | 3,200       |
| December 2013 | 38,000      | 4,600       | 2,500       |            |            | 4,100        | 910         |            | 2,800       |
| January 2014  | 44,000      | 2,600       | 3,000       |            |            | -            | -           |            | 4,700       |
| February      | 5,700       | 4,000       | 2,500       | ]          |            | -            | -           |            | -           |
| March         | 47,000      | -           | -           |            |            | -            | -           |            | -           |
| April         | 35,000      | 2,800       | 2,400       |            |            | 2,100        | 800         |            | 2,100       |
| May           | 30,000      | 7,700       | 5,200       |            |            | 2,700        | 900         |            | 2,600       |
| June          | 39,000      | -           | 2,500       |            |            | -            | 1,200       |            | 5,700       |
| July          | 47,000      | 7,100       | 5,700       |            |            | -            | 1,400       |            | 3,200       |
| August        | 25,000      | 4,400       | 2,200       |            |            | 1,800        | 950         |            | 4,000       |
| September     | 55,000      | 5,600       | 2,600       |            |            | 2,000        | 1,300       |            | 7,300       |
| October       | 36,000      | 6,100       | 2,100       |            |            | 3,200        | 1,400       |            | 5,800       |

| ZINC          | OUTFALL<br>001 |
|---------------|----------------|
| Permit Limit  | 20 mg/l        |
| Month/Year    |                |
| November      | 0.2            |
| December 2013 | 0.2            |
| January 2014  | 0.2            |
| February      | 0.38           |
| March         | 0.2            |
| April         | 0.2            |
| May           | 0.2            |
| June          | 0.24           |
| July          | 0.2            |
| August        | 0.02           |
| September     | 0.02           |
| October       | 0.29           |

NON CONTACT COOLING WATER

Outfall #014

| Permit Limit  | Min/Max<br>Intake Water | Min/75 Max<br>Effluent Water | 500 Max Gpm.<br>Flow Rate |  |  |
|---------------|-------------------------|------------------------------|---------------------------|--|--|
| Month/Year    | Temp. deg. F.           | Temp. deg. F                 | Effluent Gross            |  |  |
|               |                         |                              |                           |  |  |
| November      | 45.3/45.3               | 48.9/48.9                    | 67                        |  |  |
| December 2013 | 42.4/42.4               | 46/46                        | 54                        |  |  |
| January 2014  | 37.1/37.1               | 42.9/42.9                    | 25                        |  |  |
| February      | 36.2/36.2               | 40.4/40.4                    | 17                        |  |  |
| March         | 34.7/34.7               | 44.8/44.8                    | 15                        |  |  |
| April         | 40.2/40.2               | 45/45                        | 14                        |  |  |
| May           | 56/56                   | 56/56                        | 194                       |  |  |
| June          | 61/61                   | 63/63                        | 219                       |  |  |
| July          | 57/75                   | 57/75                        | 286                       |  |  |
| August        | 61/75                   | 66/75                        | 300                       |  |  |
| September     | 61/73                   | 66/75                        | 273                       |  |  |
| Octobor       | EAICO                   | CE /CO                       |                           |  |  |

WASTE WATER TREATMENT PLANT

Outfall #009

|               |           |        |       |     |     |             |              |                   | <b>Total Residual</b> |                     |           |
|---------------|-----------|--------|-------|-----|-----|-------------|--------------|-------------------|-----------------------|---------------------|-----------|
| Item          | Flow Rate | BC     | OD    | ı   | рH  | Total Suspe | ended Solids | Settleable Solids | Chlorine              | Fecal Coliform # pe | er 100 ml |
|               | Avg       | Avg    | Max   | Min | Max | Avg         | Max          | Daily max         | Max Daily Avg         | Avg                 | Max       |
|               | Gal / day | 30 Day | 7 Day |     |     | 30 Day      | 7 Day        |                   |                       | 30 Day              | 7 Day     |
| Permit Limit  | Report    | 30     | 45    | 6   | 9   | 30          | 45           | 3.0 ml/l          | 1.0 mg/l              | Report              | Report    |
| Month/Year    |           |        |       |     |     |             |              |                   | _                     |                     | ,         |
| November      | 958       | 10.8   | 10.8  | 6.5 | 6.8 | 8           | 8            | <0.1              | 0.8                   | 48                  | 48        |
| December 2013 | 1067      | 4.8    | 4.8   | 6.5 | 7.1 | 20          | 29           | <0.1              | 0.6                   | 0                   | 0         |
| January 2014  | 2608      | 5.7    | 5.7   | 7   | 7.8 | 8           | 8            | 1                 | 0.4                   | 8                   | 8         |
| February      | 1028      | 8.4    | 8.4   | 6.7 | 7   | 17          | 17           | <0.1              | 0.5                   | 8                   | 8         |
| March         | 818       | 18     | 18    | 6.8 | 7.1 | 24          | 24           | <0.1              | 0.5                   | 0                   | 0         |
| April         | 692       | 8.4    | 8.4   | 6.9 | 7.1 | 23          | 23           | <0.1              | 0.6                   | 0                   | 0         |
| May           | 729       | 4.5    | 4.5   | 6.9 | 7.1 | 5           | 5            | <0.1              | 0.5                   | 0                   | 0         |
| June          | 591       | 7.2    | 7.2   | 6.8 | 7   | 9           | 9            | <0.1              | 0.5                   | 0                   | 0         |
| July          | 916       | 7.8    | 7.8   | 6.8 | 7.3 | 19          | 19           | <0.1              | 0.7                   | 0                   | 0         |
| August        | 1000      | 7.8    | 7.8   | 6.6 | 7.2 | 19          | 19           | <0.1              | 0.6                   | 0                   | 0         |
| September     | 1000      | 5.1    | 5.1   | 6.7 | 7.7 | 10          | 10           | <0.1              | 0.6                   | 0                   | 0         |
| October       | 1000      | 4.2    | 4.2   | 6.8 | 7.2 | 20          | 20           | <0.1              | 0.8                   | 0                   | 0         |

# Water Volume Calculation Ultimate Pond Potential Volume 3-Nov-14

|   | Total  | Pillar   | Fillable  | Roof   |            |  |
|---|--|--|-----------|--------|------------|--|
| Area  | Area   | Area   | Area Ft2  | Height | Volume     | Gallons  |
| Far East Pond   | 6,598,278  | 2,831,750  | 3,766,528 | 12     | 45,198,336 | 338,083,553  |
| Overflow Basin  | 832,750  | 64,788   | 767,962   | 10     | 7,679,620  | 57,443,558   |
| Small Pond #2   | 128,409  | 0  | 128,409   | 7      | 898,863    | 6,723,495  |
| Bowl Edge Pond  | Not planned  |  |           |        |            |  |
| Small Pond #1   | Not planned  |  |           |        |            | ***************************************  |
| Southern Pond   | Not planned  |  |           |        |            |  |
| Total Gallons Incoming gallons Ultimate Pond Lif Water added = (4 Water added duri Vater added duri Mar 2010 Adjustr Volume remaining Remaining Pond | e (yrs) as of 6 Fe<br>46 months/12 ming 2005 (measuring 2006 (measuring 2008 (measuring 2009 (estimating 2010 (estimating 2011 (flow ming 2013 (flow ming 2014 (flow ming 2014 (flow ming 2014 (flow ming 2014 (flow ming 2014)) | eb2001 o.) X 21,024,00 ired) ired) ired) ired) ited) ited) ited) ited) eter) eter) eter) eter) |           |        | (5)        | 402,250,606<br>21,021,000<br>19<br>80,592,000<br>16,030,800<br>18,272,329<br>13,507,200<br>10,886,400<br>10,401,624<br>8,894,769<br>10,669,680<br>11,861,287<br>15,102,252<br>16,844,053<br>55,753,706<br>133,434,506<br>7.9 |

Pond volumes are calculated by using the "area" function of Auto Cad. A polygon is drawn around the perimeter of the entire pond and Auto Cad is used to calculate the area of the polygon (in square feet). A polygon is drawn around each individual pillar within the pond limits and an area is calculated using Auto Cad. The pillar area's are subtracted from the total area to give the total pond area. Roof heights are determined by visual inspection, historical information where available, and the use of raw estimates. Water added values are estimates from the mine pumping system flowmeter.