

**EXAMINING THE SIGNIFICANT COSTS  
AND RELATED BURDENS FOR SMALL BUSINESSES  
RESULTING FROM THE GOLD KING MINE WASTE  
WATER SPILL NEAR SILVERTON, COLORADO**

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**HEARING**

BEFORE THE

**COMMITTEE ON SMALL BUSINESS  
AND ENTREPRENEURSHIP  
UNITED STATES SENATE**

ONE HUNDRED FOURTEENTH CONGRESS

FIRST SESSION

OCTOBER 1, 2015

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COMMITTEE ON SMALL BUSINESS AND ENTREPRENEURSHIP  
ONE HUNDRED FOURTEENTH CONGRESS

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**EXAMINING THE SIGNIFICANT COSTS  
AND RELATED BURDENS FOR SMALL  
BUSINESSES RESULTING FROM THE GOLD  
KING MINE WASTE WATER SPILL NEAR  
SILVERTON, COLORADO**

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**THURSDAY, OCTOBER 1, 2015**

UNITED STATES SENATE,  
COMMITTEE ON SMALL BUSINESS  
AND ENTREPRENEURSHIP,  
*Washington, DC.*

The Committee met, pursuant to notice, at 10:05 a.m., in Room 428A, Russell Senate Office Building, Hon. Cory Gardner, presiding.

Present: Senator Gardner.

Also Present: Senator Bennet.

**OPENING STATEMENT OF HON. CORY GARDNER, A U.S.  
SENATOR FROM COLORADO**

Senator GARDNER. Good morning. We will call the committee to order for this morning's hearing in which we will examine the significant costs and related burdens for small businesses resulting from the Gold King Mine waste water spill near Silverton, Colorado.

Chairman Vitter had hoped to be here this morning, but unfortunately, he could not attend, and I want to thank him for giving us this opportunity to chair this important hearing. I also ask unanimous consent that Chairman Vitter's hearing statement be entered into the record.

Without objection, it will be entered into the record.

[The prepared statement of Chairman Vitter follows:]

**Statement of Chairman David Vitter**

Committee on Small Business and Entrepreneurship

Hearing on “Examining the Significant Costs and Related Burdens for Small Businesses  
Resulting from the Gold King Mine Waste Water Spill Near Silverton, Colorado”

October 1, 2015

The purpose of today’s hearing is to consider the economic impacts to small businesses and the surrounding communities in southwestern Colorado that resulted from the August 5, 2015 wastewater spill at the Gold King Mine near Silverton, Colorado. The spill, which was a direct result of negligence committed by the Environmental Protection Agency (“EPA”) and its contractor that were conducting an investigation at the site, released over 3 million gallons of acid mine drainage into Cement Creek, which flowed into the Animas River. The resulting toxic plume traveled over 100 miles and culminated at Lake Powell in Utah. While EPA claims that water quality of the river has reverted to pre-spill levels, that claims obscures the impacts to the community in the wake of the spill and entirely ignores that the long-term impacts of the spill are unknown and will be for quite some time.

We must be clear about what happened at Gold King Mine: this spill was caused by the EPA and its contractor. In other words, the agency that is charged with protecting the environment and public health caused a spill that posed substantial threats to both, and the EPA should be held accountable for it, the same way that any company is held responsible for similar behaviors.

We must also consider other failures by the EPA that occurred in the wake of the spill. As prior testimony has revealed, EPA failed to notify impacted communities and local governments on a timely basis and EPA did not take control of the situation for five days. Yet despite these and many other failures, EPA has fired no one and not taken any real responsibility for its actions.

While EPA’s role in causing the spill and its failures thereafter cannot be ignored, the purpose of this hearing is to assess how the spill impacted the surrounding communities and businesses in and around Silverton, southwestern Colorado and beyond. The testimony today from our witnesses will provide additional insight on the impacts to local economies and small businesses located near – and dependent on – the Animas River for tourism and other economic activities.

The role of the EPA is to protect human health and the environment. Over the last seven years, that function has been obscured by EPA’s new top priority, which is to implement regulations that will have punishing economic impacts on the economy and the American people. The Animas River spill went a step further with EPA directly causing a major environmental incident that directly harmed the environment and surrounding communities and economies. It is Congress’ role to get to the bottom of it, ensure that EPA is held fully accountable and that a similar incident never happens again.

Before hearing from our first witness, the Honorable Scott Tipton from Colorado's Third Congressional District, I want to briefly mention that the EPA was invited to testify this morning, but was unable to send a representative. Instead, they submitted testimony, and we have their testimony before us, and I ask unanimous consent that it be entered into the record.

With unanimous consent, it will be entered into the record.

[The prepared statement of the Environmental Protection Agency follows:]

**STATEMENT FOR THE RECORD  
U.S. ENVIRONMENTAL PROTECTION AGENCY  
BEFORE THE  
COMMITTEE ON SMALL BUSINESS AND ENTREPRENEURSHIP  
UNITED STATES SENATE**

**October 1, 2015**

Thank you for the opportunity to provide testimony for the record on the U.S. Environmental Protection Agency's role in the August 5, 2015, Gold King Mine release and subsequent response efforts.

This was a tragic and unfortunate incident, and the EPA has taken responsibility to ensure that it is cleaned up appropriately. The EPA's core mission is to ensure a clean environment and protect public health, and we are dedicated to continuing to do our job to protect the environment and to hold ourselves to the same high standard we demand from others.

**EPA Response**

The EPA was at the Gold King Mine on August 5, 2015, conducting an investigation to assess mine conditions and ongoing water discharges, dewater the mine pool, and assess the feasibility of further mine remediation. While excavating above a mine opening, the lower portion of the bedrock crumbled and approximately three million gallons of pressurized water discharged from the mine into Cement Creek, a tributary of the Animas River. EPA and Colorado officials



informed downstream jurisdictions in Colorado within hours of the release, and before the plume reached drinking water intakes and irrigation diversions. Notifications to other downstream jurisdictions continued the following day, allowing for those intakes to be closed prior to the plume's arrival.

In the aftermath of the release, we initiated an internal review of the incident and released an Internal Review Summary Report on August, 26, 2015, which includes an assessment of the events and potential factors contributing to the Gold King Mine incident. The report provides observations, conclusions, and recommendations that regions should consider applying when conducting ongoing and planned site assessments, investigations, and construction or removal projects at similar types of sites across the country. The EPA will implement the recommendations from the report and has shared its findings with external reviewers.

In addition to the internal review, the U.S. Department of the Interior is leading an independent assessment of the factors that led to the Gold King Mine incident. The goal of DOI's independent review is to provide the EPA with an analysis of the incident that took place at Gold King Mine, including the contributing causes. Both internal and external reviews will help inform the EPA for ongoing and planned site assessments, investigations, and construction or removal projects.

One of our foremost priorities is to keep the public informed about the impacts from the Gold King Mine release and our response activities. The EPA has closely coordinated with our federal partners and with officials in Colorado, New Mexico, Utah, the Southern Ute and Ute Mountain Ute tribes and the Navajo Nation to keep them apprised of water and sediment sampling results, which are routinely posted on our website. These results indicate that water and sediment have returned to pre-event conditions and supported local and state decision-makers as they made the decision to lift water restrictions along the Animas and San Juan Rivers on August 14 and August 15.

Finally, the agency wants to clarify that the EPA was working with the state of Colorado to take action at the Gold King Mine to address both the potential for a catastrophic release and the ongoing adverse water quality impacts caused by the significant mine discharges into the Upper Animas Watershed. Based upon 2009 – 2014 flow data, approximately 330 million gallons of contaminated water was being discharged from mines in the Watershed each year to Cement Creek and the Animas River – 100 times more than the estimated release from the Gold King Mine on August 5. The EPA was and continues to work with the State of Colorado and the Animas River Stakeholder Group to address these significant discharges from mines in the Upper Animas Watershed that are impacting these waterways.

It is important to note, that all across the country, the EPA's Superfund program has successfully cleaned up more than 1,150 hazardous waste sites and successfully responded to or provided oversight for thousands of removal actions to protect human health and the environment. This reflects our long-standing commitment to protect human health and the environment that we will continue to pursue and continue to support the Administration's request for an Abandoned Mine Lands fee to help cover the costs of cleanups at these sites.

#### **Federal Tort Claims Act Process**

Regarding potential damages resulting from the release, individuals, businesses or governmental entities that have a claim for money damages caused by negligent or wrongful U.S. government actions may file a claim for consideration under the Federal Tort Claims Act (FTCA) for money damages within two years from the date of the event. A claim may be submitted for a broad range of damages caused by negligence or wrongful acts, including damage to property or personal injury. The Standard Form 95 can be used to submit claims caused by the incident, although claims may be documented and submitted through other means. Claims may be amended at any time prior to reaching a settlement with the EPA, or before a lawsuit is filed under the FTCA.

All of the affected residents of Colorado and New Mexico and members of the Southern Ute, Ute Mountain Ute, and Navajo Nation Tribes can be assured that the EPA has and will continue to take responsibility to help ensure that the Gold King Mine release is cleaned up appropriately.

Thank you Mr. Chairman that concludes my statement.

I also want to welcome to the committee Senator Bennet, who will be here momentarily to the dais and will be joining us, not as a member of the committee, but as a member of the Senate who will also be able to participate in this committee hearing, and he will be here shortly.

So, in the interest of time, I will withhold my statement until after Congressman Tipton has given his statement. The Congressman's district includes the area north of Silverton—it includes Silverton, Colorado, but also the area north of Silverton, Colorado, where the spill occurred. Mr. Tipton was first elected to represent this area in November 2010.

Congressman, your perspective on this spill is invaluable and we appreciate your service and look forward to your statement. Thank you for coming before the Small Business Committee today. Welcome, Congressman Tipton. Your remarks.

**STATEMENT OF HON. SCOTT TIPTON, A U.S. REPRESENTATIVE  
IN CONGRESS FROM THE STATE OF COLORADO**

Representative TIPTON. Well, thank you, Senator Gardner, and please extend my thanks to Chairman Vitter, also, for convening today's hearing on what we believe is a very important issue when it comes to the EPA, the spills, the questions yet to be answered, and certainly the economic impacts that we are going to be feeling not only in southwestern Colorado, but in adjoining states, as well.

I would like to also extend my thanks to the Small Business Committee for focusing on what I believe is a very important issue, the lifeblood of our economies in rural Colorado and the rural United States, which is our small businesses. I am grateful for your willingness to be able to work with me to begin what will be a long, complicated process to obtain a complete picture of what the economic impacts of the EPA-caused Gold King Mine blowout have been so far and into the future.

I would first like to be able to provide some context for why in the wake of this disaster a focus on its impacts on small businesses in this area is so crucial. There is, without question, going to be a long-term impact on farm and ranch communities in the area from this spill, as well as many other sectors of the regional economy. However, given the privilege today that you have granted me, I will testify and keep my remarks brief and focus on one sector where we are likely to see the most impact more than any other, and that is in regards to tourism.

Many decades ago, western Colorado relied largely on its mining and agricultural industries for economic growth. However, our state economy has diversified. We are fortunate to be able to have beautiful landscapes that stimulate a now-thriving tourism economy. The tourism industry relies on our state's reputation for thrilling vistas, unparalleled outdoor recreation opportunities, and some of the finest tourist facilities in the nation.

The outdoor recreation industry booms in the winter as skiers from all over the world descend on our slopes. It thrives the rest of the year by offering mountainous terrains to hike and explore, as well as exhilarating fishing, rafting, kayaking opportunities, and other outdoor activities on our rivers. Many of the small businesses that cater to recreational tourists and offer these amenities are

found throughout my district, including southwest Colorado, the region directly impacted by the Gold King Mine spill.

A study published earlier this year by Dean Runyan Associates, courtesy of the Colorado Tourism Office, provides a very detailed look at the importance of tourism to the various regions and counties in the State of Colorado. In 2014, direct travel spending in Colorado totaled around \$18.6 billion, supporting approximately 155,000 jobs and over \$5 billion in wages.

La Plata County, the first county downstream from San Juan County, where the Gold King Mine is located, relies heavily on tourism to be able to sustain its economic well-being. A county of over just 53,000 people, La Plata County's share of that direct travel spending is over \$273 million, supporting about 3,000 jobs and generating close to \$8 million in local tax revenue.

And let us not discount the importance of tourism in San Juan County itself, the home of Silverton. San Juan County has a population of just 692 people. In 2013, tourists brought \$14.2 million to San Juan County. That is a little over \$200,000 for every man, woman, and child that lived there. A loss of that revenue would devastate the economy of a remote area with few other economic opportunities.

The EPA maintains the people, businesses, and local governments can apply for compensation for their economic losses. This sounds great in theory, but calculating a dollar amount in this situation is a difficult prospect at best. For example, how do local businesses accurately estimate lost revenue from tourists who do not come this summer, or the next, or the one after that? Almost every county in Colorado has seen a year over year increase in direct tourism spending since 2009. How do you calculate the loss that would have been seen from larger increases? These are the questions that we must start to try to grapple with.

Some have opined that designating Silverton as a Superfund site is the most sensible solution to clean up contamination, but what do the town's residents think? Should they not be at the center of this debate? It is my understanding that the majority of the town's residents still oppose any such listing on the National Priorities List, fearing this designation would negatively impact the tourist economy on which the town is heavily dependent.

Their fears are not without merit. Designating Silverton a Superfund site, a town in which many of the local businesses rely solely on seasonal visits for outdoor tourist enthusiasts, could severely damage the town's reputation and prove costly to the local economy.

Many of the local businesses in Durango and Silverton are small operations, as are many of the ranches and farms in the area and downstream. As a small businessman myself for over three decades, I know firsthand how important credit and loans are to staying afloat in a lean year. But, ultimately, a bank wants their money back and will not loan to a business whose customer base they believe is in decline, or a farm or a ranch whose access to clean water supply is constantly in jeopardy.

The uncertain status of the Animas River means many businesses that were healthy and thriving now are consequently struggling or feel that they are about to be endangered. And without

certainty that comes from the Animas drawing tourists and providing crop water, they may not be able to secure the funding of the sort that they need to be able to make it through potentially lean times. A listing under the Superfund could taint this area for decades to come, without regard to the impact that it could have on businesses.

I think we can all agree that tourism requires a clean environment, especially river-based tourism where people can swim, fish, or kayak. Tourism is also dependent upon a perception. A belief that the area is contaminated with toxic waste would undeniably affect how many people are willing to spend the night and spend their money there. Superfund status is a billboard announcing to the world that the environment here is not safe for humans. Whether it is true or not, people will look to the Animas and the San Juan Rivers, see that the Superfund designation is there, and decide possibly to go elsewhere.

Superfund status does bring with it a stigma, right or wrong. Often with that, perception is a reality. That seemingly simple choice to spend vacation dollars somewhere other than southwest Colorado would have a severe impact on the small business owners who rely on that tourism income.

We all want the best possible solution to this devastating spill, but throwing the full weight of CERCLA and the Superfund designation onto Silverton and Durango when other equally and even more effective options could be available could have serious consequences for these communities and beyond.

I have always believed that local communities know what is best for themselves. They have an intimate understanding of their hometown economies and hear firsthand from their customers about why they visit the area. Supplanting government's judgment with their on-the-ground knowledge stands to increase the economic harm already done in this area. We should seek solutions, put the power and funding to be able to address these problems in the hands of the folks on the ground who have been working to solve these problems for years.

The good Samaritan approach that I have been broaching, and I am pleased to be able to see both of our Senators from the State of Colorado here who join with us in that concept of being able to address the problem and to make sure that we are achieving a positive result, and I appreciate that support, is one of the possible solutions as opposed to a Superfund designation.

The Animas River is a significant source of revenue in southwest Colorado and beyond, especially during the summer tourism season. This avoidable spill will have a significant impact, a long-term impact, and we are working with state, local, and federal officials to gather information to assess the damages and get a full accounting of what transpired.

As we contend with the damage already inflicted on small businesses in southwest Colorado and the future difficulties that they will face as a direct result of the Gold King Mine blowout, I urge everyone to consider options that do not ultimately compound the disaster.

I appreciate this hearing and appreciate the opportunity to be able to testify.

Senator GARDNER. Thank you, Congressman Tipton. Thank you for your testimony this morning. I know you have got a vote that you will probably be able to make now, so thanks for your time today to be here.

I dismiss the first panel. Thank you very much, Congressman Tipton.

Representative TIPTON. Thank you very much.

Senator GARDNER. Did you want to say something?

Senator BENNET. It was wonderful to see you. Thank you so much.

Representative TIPTON. Senator Bennet, a pleasure to see you. Thank you.

Senator GARDNER. I will now proceed with my opening remarks.

On August 5, 2015, the Environmental Protection Agency released approximately three million gallons of contaminated water into Cement Creek from Gold King Mine north of Silverton, Colorado. The water quickly moved downstream to the Animas River and eventually flowed into the San Juan River and Lake Powell, which is 300 miles downstream. The spill had an impact on Colorado, New Mexico, Utah, the Southern Ute Indian Tribe, Ute Mountain Ute, and the Navajo Nation.

From the outset of the spill, I have said that the EPA should be held to the same standard as EPA would hold a private company for the spill. This means investigations must be conducted, people must be held accountable, and tough questions must be asked.

The La Plata County Sheriff closed public access to the Animas River on August 6. We visited the spill site on August 9, Senator Bennet and I, four days after the spill, and the EPA still did not have an appropriate crisis response team in place. It was not until the following day, August 10, that the EPA established a unified command center in Durango to address the spill.

The river was not reopened until August 14, nine days after the initial surge of contaminated water. Water testing shows that the surface water of the river has returned to pre-event levels, but many remain and have questions about sediment in the river bottom and the rocks lining the river. The sediment contains various pollutants, and the EPA initially installed settling ponds to address this contamination, which we hope will slow the flow of contaminants in the Animas River.

Last month, there was a series of Congressional oversight hearings that took place in both the United States Senate and the House of Representatives. We learned answers to some inquiries during the EPA's testimony at these hearings, but more questions remain on what exactly took place in the events leading up to and immediately following the spill and how to get our communities back on track, including liability compensation from the EPA. It is my hope that the EPA's Office of Inspector General's report will provide more clarity and transparency on the spill, and I also look forward to the release of the Department of Interior's assessment of the Gold King Mine spill.

For Colorado and downstream communities, there are still serious concerns that exist that the EPA must address. EPA recently announced that by October 14, the Agency will open a temporary water treatment system which will replace the settling ponds that



were first constructed by the EPA in August. It is good news for our communities for the winter months, but further mitigation, like EPA's long-term remediation plan, and the need for future monitoring for heightened contamination during spring runoff must still be addressed.

Some claim that the Gold King Mine spill shows the need for broad mining reform legislation, which would include reforms to the Mining Law of 1872. In reality, what we have to work on right now is the need for legislation that would allow these abandoned mines across the West to be cleaned up by good Samaritan, language that has passed the Senate committees before, while other conversations about mining laws move forward.

There has been broad bipartisan support for passing good Samaritan legislation in the past. I am committed to working with Senator Bennet, Environment and Public Works Committee Chairman, in a bipartisan fashion to get good Samaritan legislation through the Senate. In fact, that is the only way that we are going to get good Samaritan legislation through, is to work in a bipartisan fashion. I am also working with Senator Bennet on the need for a water treatment plant in the Upper Animas River Watershed.

And, so, today's hearing is extremely important because it provides us with a different view than we have had in the previous hearings. It provides us with an opportunity to hear from people on the ground who are business owners, who represent businesses in communities, and who represent the people of the counties affected.

And that is why I am disappointed that we do not have an EPA representative here who could answer basic questions about the points that Congressman Tipton raised in his opening statement about compensation, about how do you determine what level of compensation to provide to a hotel, whether it is a cancellation—is that related to the Gold King Mine spill—of a rafting trip. Is it the cancellation of a hotel room? Is it the cancellation of a dinner reservation? How can we really determine what costs are incurred? These are questions that we still have and we would have liked to have had answered today by the appropriate representative. Property damage, lost economic opportunity, and as Congressman Tipton mentioned, the long-term impact—how do we get answers and compensation for these very significant issues?

There are going to be a number of proposals before Congress and I look forward to working on them with Senator Bennet. And, again, I think it is critically important that the only way we can address some of these issues is, of course, with bipartisan support.

With that, I will turn it over to Senator Bennet for your opening statement. And to the panel, if you would like to come take your seat while we are doing opening statements, that would be great. So, thank you. Come on up, to the three panelists, and Senator Bennet, if you would like to begin your statement.

**OPENING STATEMENT OF HON. MICHAEL F. BENNET, A U.S.  
SENATOR FROM COLORADO**

Senator BENNET. Thank you, and Mr. Chairman, let me say, first of all, thank you so much for holding this hearing and thank you for including me. You did not need to do that. I appreciate it. I am

not on the committee, but as you know, I am deeply interested in getting to the bottom of this, as you are, and getting the answers that we need, so thanks for inviting me this morning.

It is my pleasure to have the chance to welcome Commissioner Blake, Ms. Gallegos, and Mr. Corra.

The blowout at the Gold King Mine affected communities and businesses, as you have heard, throughout southwest Colorado, and there is no denying that the EPA caused this, and that is entirely unacceptable. We have held hearings, as the Chairman said, on EPA's actions, and it is appropriate that we now consider the economic aspects of this bill.

The Animas River is the lifeblood and economic engine of southwest Colorado. As we will hear today, rafting companies lost business, sports fish trips were canceled, tourism suffered, and farmers could not water their crops. The damages from the spill are still being calculated and we may not know the full extent for years to come. Businesses and individuals are starting to file claims to recover their losses. As Chairman Gardner said, they deserve to be fully reimbursed for their damages and the EPA is committed to doing so.

The Gold King Mine Spill Recovery Act that I have introduced with Senator Tom Udall will ensure that the EPA follows through on this promise, and we will continue to want to work with our colleagues to get that bill right. The bill requires the EPA to reimburse businesses, tribes, governments, and individuals for property damage, lost revenue, and emergency expenses. It also calls on the EPA to construct a permanent water treatment plant north of Silverton to tackle this problem at its source.

The four mines in the Upper Animas River Basin release more than 300 million gallons of acid mine drainage every year. We need solutions, as Senator Gardner said, to address this pollution all across the West. That is why Senator Gardner and I are working on good Samaritan legislation to encourage the cleanup of abandoned mines.

It is long past time for us to address this issue, and I think part of the issue we have had, Mr. Chairman, is that people in this place are too focused on the East Coast and the West Coast and are not paying attention to the Rocky Mountain watersheds, which, by the way, if you live downstream from the Rocky Mountain watersheds, which almost everybody in the United States does, you need to take an interest in what we are doing there to make sure that we do not have another disaster like this.

And, I also believe that as part of this, we should reform the 1872 Mining Law to make sure that mining companies pay royalties to taxpayers, just like everybody else on our public land.

Like many other business owners and elected officials, our witnesses today, Commissioner Blake, DeAnne Gallegos, and Andy Corra, understand firsthand the need to address legacy mining so we do not get hit with another blowout. Senator Gardner and I appreciated meeting with both Mr. Corra and Commissioner Blake during our visit together to Durango four days after the spill.

Mr. Corra is the co-owner of 4Corners Riversports in Durango. 4Corners Riversports is an outdoor retail store, paddle school, and commercial rafting business. It is open for business today, I will

bet, so if anybody is listening to the hearing, please go. Mr. Corra has built his business and raised his family in southwest Colorado, like so many other entrepreneurs, and as with so many small business owners in Durango, Andy depends on the Animas River for his livelihood. So, when the water turned orange in August in the middle of peak rafting season, it hit his business hard and without warning. I look forward to learning more from all the witnesses this morning.

Mr. Chairman, thanks again for inviting me to speak briefly and for holding this important hearing.

Senator GARDNER. Thank you, Senator Bennet.

Our first witness is La Plata County Commissioner Brad Blake from La Plata County, Colorado. Commissioner Blake's family first moved to Durango, Colorado, in the 1930s. He is serving his first term on the County Commission Board and we are pleased to have him here today.

Next up, we have DeAnne Gallegos, the Executive Director of the Silverton Area Chamber of Commerce. Ms. Gallegos is a third-generation Silverton resident.

And last, but certainly not least, we have Mr. Andy Corra, as Senator Bennet mentioned, owner of 4Corners Riversports in Durango. 4Corners is located on the banks of the Animas River, which is described in your testimony as the lifeblood, I believe, the heart of Durango, and has been in business for over 35 years. Mr. Corra will be able to provide a firsthand experience on what this spill has meant for the community throughout the region.

So, thank you to the witnesses, all of you, for traveling so far to be here today, time away from work, from family. It is truly appreciated, to shed light on questions that need to be addressed, and I look forward to your testimony.

Mr. Blake, if you would like to begin.

**STATEMENT OF BRADFORD P. BLAKE, COUNTY  
COMMISSIONER, LA PLATA COUNTY, COLORADO**

Mr. BLAKE. Thank you, Senators. I appreciate the opportunity, and I would like to thank Chairman Vitter, as well, to speak at the Small Business and Entrepreneurship Committee concerning the impacts of the Gold King Mine spill.

My name is Bradford P. Blake. I am a small business owner and a County Commissioner in La Plata County, Colorado. I appreciate the opportunity to testify about how the incident has affected businesses in southwest Colorado.

We are very blessed to live in an area of great natural beauty, from 14,000-foot peaks to desert valleys. The rivers that run through this area are beautiful and clear. The premier is the Animas River, which starts in the mountains above Silverton and flows through Colorado and 126 miles through La Plata County and the City of Durango, the Southern Ute Indian Reservation, to the New Mexico border, and on to Utah and Lake Powell.

The mountains above Silverton are rich in minerals and metals, which attracted miners to the area starting in the 1860s. Mining support companies followed, along with other businesses that developed as the community flourished. Some, you would recognize, such as the renowned Durango-Silverton Narrow Gauge Railroad.

Others, you might not, but they encompass many different types of enterprises, such as tourism-related businesses, including rafting companies, bike stores, hiking and outdoor recreation outfitters, hunting and fishing guides, hotels, restaurants, and other related support services.

La Plata County also has considerable agricultural interests, including many organic farms, ranches that rely on the waters of the Animas to support their operations. And then there are the businesses you would expect to find in a thriving community, including retail and grocery stores, real estate offices, banks, and all other services that support our economy.

All of these great businesses employ a few to hundreds of people, and the spill has impacted all of them in some way. News of the Gold King Mine spread far and wide, not only nationally, but around the world. The Durango Area Tourism Office conducted a media analysis for the period of August 5 through August 24 and determined that 19 million impressions were made, impressions like this that I have from the Durango Herald, and this was seen around the world. I had friends from all over the country call me and ask me about it. I brought you all a copy of the Durango Herald today to look at this. The 164 articles about the incident had a value of more than \$3.4 million worth of advertising—the wrong kind of advertising.

Summer is the height of the tourist season and it was cut short, first by the visual impacts of the Gold King and then by lingering questions about the impact of the spill on the river and our community. The businesses most severely impacted were the rafting companies. Their season was abruptly interrupted on August 5 and 6, the day of the spill. There are 10 local rafting companies in La Plata County that employ in excess of 150 people. All were directly impacted and had to lay off employees during the period of the river closure. One rafting company owner advised me that he estimates his losses to be \$100,000.

When tourism-related businesses are impacted, there is a ripple effect throughout our economy on hotels, restaurants, and retail stores. Those, in turn, impact the collection of local sales tax and lodgers' tax.

But tourism businesses were not the only ones impacted. Agriculture took a hit, as well. Small local farmers had reduced crop yields due to the lack of water at the hottest and driest time of the growing season. Ditches that provide irrigation water to farms were closed for up to 10 days, in some cases leaving farmers high and dry. One rancher reported to me that he lost half of his second cutting of hay, which is \$8,600 worth of hay. For a small rancher, that is a big deal.

Equally significant is the impact of the spill on the reputation of the organic farms that utilize the river. How can their reputations be restored when doubts about the quality of the water remain?

In another example, the entire inventory of Durango Nursery, a local plant and tree nursery located on the banks of the river, was threatened by the inability to use the river for watering purposes. Owner Tom Bridge had to haul water at his own expense until arrangements were made for the water to be delivered until the river could be used again. But even that could not help bring customers

in. Tom estimates he lost \$20,000 worth of business due to the decline in customers during the period of the Gold King incident. And sales have not recovered. In fact, Tom estimates that his sales for the year will be down 1.25 percent from his projections as a result of the spill.

As news of the incident spread, calls came into our community from around the country asking questions like, are all the fish dead? Will the fumes harm my family if we walk by the river? Is the river ever going to recover? It is obvious to me that our community's image and reputation as a natural scenic, family friendly outdoor mecca has been badly damaged as a result of the spill.

Clearly, we do not know yet what the long-term impact of the Gold King spill and the publicity generated by it might be, but we anticipate that there could be lingering negative images, public health and safety concerns, and a decline in future visitations, all of which will impact small businesses in La Plata County.

As a small business owner myself, I am concerned about uncertainty created for our local businesses resulting from the spill and heightened awareness of acid mine drainage. It is for this reason I ask for your support of expeditious reimbursement to businesses and employees impacted by the Gold King Mine spill. I urge your thoughtful consideration of S. 2063, the Gold King Mine Spill Recovery Act of 2015.

I also advocate for a speedy and collaborative response to this ongoing and age-old problem of metal loading in the Upper Animas. I urge Congress to move expeditiously, but also thoughtfully, to address the larger problem of acid mine drainage in the Animas River Watershed that impacts not only La Plata County, but all communities along the river.

On behalf of the citizens of La Plata County, Colorado, I thank you for your interest, your time, and your consideration. Thank you very much.

[The prepared statement of Mr. Blake follows:]

**Testimony for Public Hearing  
Senate Committee on Small Business and Entrepreneurship  
October 1, 2015**

**Bradford P. Blake**  
County Commissioner  
La Plata County  
1060 E. 2<sup>nd</sup> Ave.  
Durango, CO 81301

**Public Hearing Examining the Significant Costs and Related Burdens for Small Businesses Resulting from the Gold King Mine Waste Water Spill near Silverton, Colorado**

Good afternoon, Senators and thank you for allowing me to speak to the Committee on Small Business & Entrepreneurship concerning the impacts of the Gold King Mine Spill in Colorado. My name is Bradford P. Blake. I am a small business owner and County Commissioner for La Plata County, Colorado, and I appreciate the opportunity to testify about how this incident has affected businesses in southwest Colorado.

We are very blessed to live in an area of great natural beauty from 14,000 ft. peaks to desert valleys. The rivers that run through this area are beautiful and clear. The premier is the Animas River, which starts in the mountains above the town of Silverton, Colorado and flows for 126 miles directly through La Plata County, the City of Durango and the Southern Ute Indian Reservation to the New Mexico border and on to Utah and Lake Powell.

The mountains above Silverton are rich in minerals and metals, which attracted miners to the area starting in the 1860s. Mining support companies followed, along with other business that developed as the community flourished.

Some you would recognize, such as the renowned Durango and Silverton Narrow Gauge Railroad. Others you might not, but they encompass many different types of enterprises such as tourism-related businesses, including rafting companies, bike stores, hiking and outdoor recreation outfitters, hunting and fishing guides, hotels, restaurants, and related support services.

La Plata County also has considerable agricultural interests including many organic farms and ranches that rely on the waters of the Animas to support their operations. And then there are the businesses you would expect to find in a thriving community including retail and grocery stores, real estate offices, banks, and all the services that support our local economy.

All of these great businesses employ a few to hundreds of people, and the spill has impacted all of them in some way. News of the Gold King Mine spill spread far and wide - not only nationally but around the world. The Durango Area Tourism Office conducted a media analysis for the period August 5 through August 24 and determined that 19 million impressions were made. The 164 articles about the incident had a value of more than \$3.4 million dollars' worth of advertising – the wrong kind of advertising.

Summer is the height of our tourist season, and it was cut short, first by the visual impacts of the Gold King spill and then by the lingering questions about the impact of the spill on the river and our community.

The businesses most severely impacted were the rafting companies. Their season was abruptly interrupted on August 5, the day of the spill. There are ten local rafting companies in La Plata County that employ in excess of 150 people. All were directly impacted and had to lay off employees during the period of the river closure. One rafting company owner advised me that he estimates his losses to be \$100,000.

When tourism-related businesses are impacted, there is a ripple effect throughout our economy on hotels, restaurants and retail stores. Those in turn, impact the collection of local sales and lodger's taxes. But tourism businesses were not the only ones impacted.

Agriculture took a hit as well. Small local farmers had reduced crop yields due to the lack of water at the hottest and driest time of the growing season. Ditches that provide irrigation water to farms were closed for up to ten days in some cases, leaving farmers high and dry. One rancher reported to me that he lost half of his second cutting of hay – \$8,600 worth, and for a small rancher, that's a big deal. Equally significant is the impact of the spill on the reputation of organic farms that utilize the Animas River – how can their reputations be restored when doubts about the quality of the water remain?

In another example, the entire inventory of Durango Nursery, a local plant and tree nursery located on the banks of the river, was threatened by the inability to use the river for watering purposes. Owner Tom Bridge had to haul water at his own expense until arrangements were made for water to be delivered until the river could be used again. But even that couldn't help bring the customers in. Tom estimates that he lost \$20,000 worth of business due to the decline in customers during the period of the Gold King incident - and sales have not recovered. In fact, Tom estimates that his sales for the year will be down 1.25% from his projections as a result of the Gold King spill.

Even real estate offices felt the impact. One real estate agent shared with me that a client actually walked away from a real estate deal because of the alarm and uncertainty created by the river contamination. We don't know how many more potential buyers did not make offers or are looking elsewhere because of similar concerns.

As news of the incident spread, calls came in to our community from around the country asking questions like: *Are all the fish dead? Will the fumes harm my family if we walk by the river? Is the river ever going to recover?* It's obvious to me that our community's image and reputation as a natural, scenic, family friendly outdoor mecca has been badly damaged as a result of this spill.

Clearly, we DO NOT YET KNOW what the long-term impact of the Gold King spill, and the publicity generated by it, might be, but we anticipate that there could be lingering negative images, public health and safety concerns and declines in future visitations, all of which will impact small businesses in La Plata County. As a small business owner myself, I am concerned about uncertainty created for our local businesses resulting from the spill and the heightened awareness of acid mine drainage.

It is for these reasons that I ask for your support of expeditious reimbursement to businesses and employees impacted by the Gold King Mine Spill and I urge your thoughtful consideration of S.2063, the

Gold King Spill Mine Recovery Act of 2015. I also advocate for a speedy and collaborative response to this ongoing and age old problem of metal loading in the upper Animas River basin.

I urge Congress to move expeditiously but also thoughtfully to address the larger problem of acid mining drainage in the Animas River watershed that impacts not only La Plata County but all communities along the Animas River. On behalf of the citizens of La Plata County, Colorado, I thank you for your interest, your time and your consideration.



Senator GARDNER. Thank you, Mr. Blake, and the newspaper article you referenced, without objection, will be entered into the record.

[The information follows:]

## Smoke from Sleeping Ute fire visible from Durango 3A

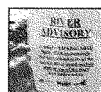
# THE Durango HERALD

SERVING THE HEART OF SOUTHWEST COLORADO | DURANGOHERALD.COM | FRIDAY, AUGUST 7, 2015 | \$1

**RIVER LIFE:**  
Parks and Wildlife  
has caged fish  
to monitor their  
responses

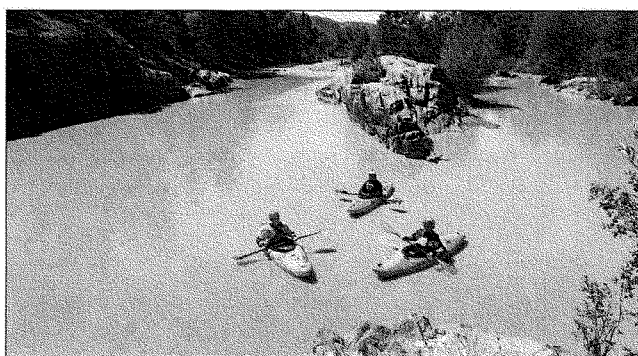


**WATER SUPPLY:**  
City asks residents  
to be conservative  
with their  
water usage



**RIVER CLOSED:**  
Public use is  
prohibited while  
analyses are  
completed

# CATASTROPHE



Kayakers Dan Stevas, Eric Parker and David Farlan find themselves surrounded Thursday by the toxic mine waste that began flowing Wednesday into the Animas River from the Gold King Mine north of Silverton.

*Editor's note: In the interest of public safety, our paywall has been temporarily suspended on our website. Articles can be accessed without a subscription.*

### Plans to plug the Gold King Mine backfire

BY MARY SHINN  
HONOLULU STAFF WRITER

A million gallons of polluted water flowing down the Animas River started as a small trickle. The entrance to the Gold King Mine has long been collapsed, and the Environmental Protection Agency planned to clear the dirt blocking the tunnel to install a pipe to pump out the contaminated water in the mine, said Hays Griswold, on-scene coordinator for the agency. Once the water was pumped out, the crew planned to plug the mine to prevent more polluted water from draining out of the mine.

"We were being very, very careful," he said.

His team of three workers were using a track hoe and other heavy equipment to clear dirt from in front of the mine, he said.

See BACKFIRE, 6A

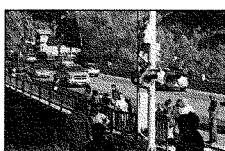
BY SHANE BENJAMIN, MARY SHINN AND CHASE OLIVARIUS MCALLISTER

Acidic wastewater from an abandoned mine above Silverton coursed its way through La Plata County on Thursday, turning the Animas River orange-brown, forcing the city of Durango to stop pumping raw water from the river and persuading the sheriff to close the river to public use.

Residents lined the banks of the Animas River on Thursday afternoon to watch the toxic wastewater as it flowed through Durango city limits. But the sludge slowed as it snaked its way through the oxbow in the Animas Valley, and the mark didn't arrive until

The accident occurred about 10:30 a.m. Wednesday at the Gold King Mine in San Juan County. A mining and safety team working on behalf of the Environmental Protection Agency triggered the discharge, according to a news release.

The EPA's team was



A crowd at 32nd Street waits for signs of the mine waste coming downstream. A toxic leak from the Gold King Mine dumped more than 1 million gallons of contaminants into the river, and it oozed its way from Silverton to Durango.

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[WWW.DAILYMAIL.COM](http://WWW.DAILYMAIL.COM)

**INSIDE**

- What's next? **6A**
- Local agencies have set up a call center to provide more information. **2A**

working with heavy equipment to secure and consolidate a safe way to enter the mine and access contaminated water, said Dickson.

Mylott, a spokesman for the EPA in Denver. The project was intended to pump and treat the water and reduce metal pollution flowing out of the mine into Cement Creek, he said.

The disaster released about 1 million gallons of acidic water containing sediment and metals flowing as an orange-colored discharge downstream through Cement Creek and into the Animas River.

See CATASTROPHE 2A

### What you need to know

1. IS THE TAP WATER SAFE TO DRINK?

Yes. The city of Durango said water utility customers can consume it. All pumping of raw water from the Animas River was discontinued Wednesday. The Utilities Department continues to draw raw water from the Florida River, which was not affected by the release of wastewater from the Gold King Mine.

**2. IS THE RIVER CLOSED TO THE PUBLIC?**  
Yes. It is closed from the San Juan County line to the south end of the county at the Colorado-New Mexico border.

3. ARE THERE MANDATORY WATER-USE RESTRICTIONS FOR CITY RESIDENTS?

No. "However, the water taken from the Florida River is not enough to meet the daily demands during the summer months and is usually supplemented with water from the Animas River. Because the city will not begin pumping water from the Animas River until notified that it is safe to do so, it is asking residents to immediately take steps to reduce their water usage and discontinue all outdoor watering until further notice."

#### 4. ARE THE FISH IN THE ANIMAS RIVER IN DANGER?

Colorado Parks and Wildlife have put fish in cages in four places in the river to monitor what happens to them.

Arts 1C	Marketplace 5D	Opinion 4A
Civ. Region, State 3A	Movies 3C	Outdoors 4B
Comics 5C	Obituaries 2A	Sports 1B

**Today:** Mainly cloudy. Showers and a thunderstorm tonight.  
High 83 • Low 64. More weather | 80

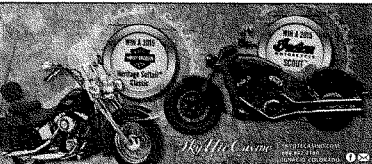
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**SKY UTE CASINO RESORT AUGUST GIVEAWAY**

# WARRIOR

ALL-AMERICAN  
MOTORCYCLES



Mr. BLAKE. Thank you.

Senator GARDNER. Ms. Gallegos.

**STATEMENT OF DEANNE GALLEGOS, EXECUTIVE DIRECTOR,  
SILVERTON AREA CHAMBER OF COMMERCE, SILVERTON, CO**

Ms. GALLEGOS. Good morning, gentlemen.

Senator GARDNER. Good morning.

Ms. GALLEGOS. Thank you for the invitation and bringing Silverton to the table. My name is DeAnne Gallegos and I am the Executive Director of the Silverton Area Chamber of Commerce. My intention for my opening statement is to tell you who we are.

Silverton was a raucous, rumbling mining town. It was the pioneer spirit that brought folks out to the West with the discovery of gold, silver, and other minerals in the hills as to why we still exist. Silverton was incorporated in 1874. From 1881 to 1882, Otto Mears built the Durango-Silverton Narrow Gauge Train, which changed the entire area. We still depend on that 100-plus-year-old train as part of the heart of our summer economy.

There are 699 of us—technically 701, both Lisas had babies this summer—and about 520 of those actually live in the town of Silverton. We get an influx of summer residents and then they go south, and then we get an influx of winter residents. So, the solid, hard-core number of year-around residents is around the 500, but we fluctuate depending on the season, being a tourist town.

The number one land owner in San Juan County is the federal government. Eighty-five percent of our land is owned by the BLM or the Forest Service. We have 388 square miles in our county and Silverton is the only municipality left standing. San Juan County used to be linked and littered with many mining towns which are now ghost towns, literally ghost towns, buildings that you can go in and see the past. But we are the heart of the San Juan Mountains, right off the Continental Divide, and I am telling you, it takes an extremely hardy soul to live there. I know.

Being third generation, my grandfather came after World War II to be a miner. My father and mother met at Silverton High School, were homecoming king and queen in—I should not say the year, because you will kind of pick up on the age, but it was in the late 1950s. And then my father started a family right away and also went into mining, but then moved to the city, which I was born and raised in Denver.

I would spend all my summers in Silverton as a child, so now as an adult living there, full-time resident, it is like reliving your childhood. Silverton is a base camp for us. We live there so we can live in those mountains. That is something that is intangible unless you experience it, unless you have stood in the bowl of that caldera, which is the volcano which created the only level land, which is where my town was built.

Because of that, 48 percent of our economy is dependent on tourism. Since the 1990s, when the last mine closed, we have tried to figure out who are we and where are we going, but we also embrace and celebrate our mining heritage. It is who we are.

We offer tourism through ecology, yet our ecology and our economy are extremely fragile, just like the tundra that we live below. Silverton is nestled at 9,318 elevation feet, just below timberline.

That is why folks come to visit us. Repeat tourism is critical and, actually, a very stable part of our economy, as well as second home owners and the influx of seasonal workers that come in and out of our community to help us get through our tourism seasons.

We experience a little over 400 inches of snow in a year. We have got one road in and one road out in the winter, and that is Highway 550, which is one of the most dangerous highways in the United States. Along that highway, which separates us from services, 50 miles either to the south to Durango or 60 miles north to Montrose, is 150 avalanche paths. It is Mother Nature's way of shedding snow. But, that also means that we are vulnerable to being blocked in, or blocked out, quite frankly.

We have the Alpine Loop, back country experience with hiking, jeeping, camping, OHVs, and in this back country is exactly where Red Bonita and Gold King are seated. So, when you go into our back country now, you do see the incident firsthand. You do see the blue tarps with the sediment and the activity that is going on. Across the street from our number one employer in the winter, Silverton Mountain, is this remediation situation and base camp for the EPA.

We understand and acknowledge and know that we are now in a long-term relationship with this situation, with the EPA. We look forward to taking responsibility and being proactive in dealing with being at the top of the watershed and these old mines. Again, if it was not for all of these mines, the West may not be what the West is today. And again, we embrace our heritage and our past and we are proud of that, and this situation has changed the way that is looked upon.

Talking about employers and employment, again, we are 48 percent of our economy is tourism. When you are talking about the top employers in San Juan County, we have no corporate entity. We do not have a big office building. It is Silverton Mountain at 40 employees. Second-largest employer in San Juan County is one of our largest restaurants, at 22 employees. We have a 10-month business cycle out of a 12-month calendar year to make it.

Winter and summer are night and day. A lot of our town closes for the winter, and in the summer, when that train comes rolling in, we open up all our doors, clean all of our windows off, and we are there to welcome the influx of thousands, hundreds of thousands of tourists who come to experience us, whether it is a day, a week, or four months. And we are dependent on that, thankful for that, and understand that without that, we, too, could have the potential of being one more ghost town.

I bought my grandmother's home that was moved from a ghost town in Eureka in the 1940s, and my kitchen is slanted and my walls are little and the doors are tiny, but I love my house and I love my community. That is why we are all there. That is why I am here, to speak up for them.

Before the incident, we already were struggling with a housing issue, which is a domino effect of, if we cannot house seasonal employees, then who is going to work in the restaurants and the shops and the hotels? We were already struggling with more jobs than people in town. But we have to also be conscientious of switching of seasons. The folks who leave in the summer, the win-

ter people come in and replace them with housing. We do not live in a normal, typical, day-to-day town.

We still have dead fiber in the ground. We are not connected to fiber. So when we sit around and we discuss what is economic development for Silverton, and one of the type of individual we can bring in is someone who can bring their own business, we do not have the infrastructure to support that. So, again, we go back to tourism.

Gentlemen, we are counting on you two to represent us and to speak up for us. I know you both have been there. We had a meeting on August 12, Senator Gardner, that was set up before the EPA incident, and I, blissfully, naively, wanted to stick to those issues, to discuss the housing and the employment pool and our tourism and where do we go from here, not knowing that the train was coming down the tracks and we were tied to it.

But what I do know about my community is that we still embrace that pioneer spirit. Therefore, we want to create a new relationship with the federal government and the EPA, not status quo. We want them and you to be aware of our situation. Housing is an issue. To have an influx of federal workers coming in and subcontractors, we cannot allow the housing we already did not have for the people to be displaced because of that, because who is going to be there to help these small businesses?

I have had small businesses tell me that they have left over 60 grand on the table this summer alone because of lack of employees. I have a business that can only open five days a week instead of seven, which null and voids one business week a month, because he literally did not have employees.

We have had cancellations. We have had real estate deals fall through. We have had banks pull out of our new community construction loans, providing loans, just because of this talk, because of what is going on.

So, I ask you two to remember us. We are important. Just because we are the little guy and there are only 700 of us does not mean that we do not matter, and we are putting trust and faith in you to do so. Thank you.

[The prepared statement of Ms. Gallegos follows:]

Chairman Vitter, Ranking Member Shaheen and members of the committee. Thank you for inviting me to testify here today. My name is DeAnne Gallegos and I am the Executive Director of the Silverton Colorado Chamber of Commerce.

I hope to accomplish three tasks with my testimony. First, I want to introduce my town and county to the Committee so that you better understand who we are and how we have been impacted by the Gold King spill. Second, I'd like to explain the immediate issues created by the Gold King spill on our community. Third, and most important, I want to detail the concerns our community has about the ramifications that are likely to occur to our town and county when the EPA and the federal government now turn to address the problems of old leaky mines.

As you may know Silverton is located approximately nine miles south of the Gold King Mine, which breached on August 5, 2015. Silverton Colorado is the only municipality in San Juan County and is situated at an elevation of 9,318 feet in the heart of the Southern Rocky Mountains. The year-around population of San Juan County is estimated at 702 people with an influx of seasonal residents in summer and winter.

Silverton is one of the most isolated municipalities in the continental United States. There is one highway running through town and one way in and out. The mountain passes often close from mid-fall to mid-spring due to deep snow and avalanche runs. State Highway 550 coming into Silverton is known as the most dangerous roads to travel in the country.

Although Silverton is the only municipality in San Juan County, that was not always the case. We are surrounded by over a dozen of what are now ghost towns, but what once were bustling mining town at the turn of the century. As mining left, these towns all died. Silverton is fortunate that it was able to adapt and capitalize on its mining heritage in creating a tourism-based economy. Still, we face many challenges. Forty-eight percent of our employment base is in the services industry with an average annual wage of \$22,872. Due to the remoteness of our community, business owners and residents do not have easy access to goods or merchandise. Our growing season is only two months long, ruling out commercial agriculture. There are no financial institutions in San Juan County. There are no foundations or individuals with private wealth that can step up in times of need. Lending resources have always been difficult in San Juan County.

With this backdrop in mind, the immediate impact of the Gold King mine spill to our community was, fortunately, not as bad as it could have been but only time will tell what the true ramifications will be. Immediate drop-offs in tourism and hotel cancelations seem to be recovering due to the perfect fall weather but until we can analyze true end of season statistics it is hard to say what that will actually look like. While there was concern about our water supply we were quickly able to get the word out that our drinking water comes from a different drainage than the Animas River and was not impacted by the spill. But tourists still have concerns and we still receive many questions.

Our bigger fears and concerns are the possible long-term economic and tourist-related impacts once the federal government starts to address the issue of the hundreds of old leaky mines north of our town.

For instance, currently federal workers and contractors who are working on the temporary water treatment plant are occupying an entire hotel as well as other rental properties. Most communities would welcome this situation – an entire hotel filled with paying guests! But, as I mentioned above, we're not like most communities. As winter arrives, and it will be here soon in Silverton, we would normally receive an influx of seasonal workers staffing skiing, snowmobiling and other winter recreational outfitters. It is unclear whether there will be enough rooms to house those seasonal workers that staff these recreational small businesses. That's a big problem, because without those workers those businesses can't operate.

As the spotlight leaves San Juan County, and the public forgets about what happened at the Gold King Mine, our concern is that the barriers fortified by this incident become unbreakable. The remote nature of our community does not allow an economy that can react swiftly to changing forces, such as an influx of federal workers. Getting materials and equipment over the passes is difficult, costly and time consuming, and the weather that shortens our growing season also shortens our construction season.

Continued construction and remediation projects at the Gold King Mine site could keep tourists away. Our small town is a quiet picturesque community nestled in the mountains. An influx of heavy equipment and workers to work at the mine site could destroy the serenity that brings people to visit us in the first place. I am also concerned that if a family that has previously come to San Juan County decides to vacation somewhere else next year that they will be gone forever. Repeat tourism business is a vital anchor to our critical yet vulnerable economy.

For these and other reasons I am confident that we will not know the impact of the spill to our economy and our small businesses for years to come.

Mr. Chairman, as your committee and Congress debates how to remediate the environmental issues associated with decades of mining, we ask that you keep in mind the current rich and vibrant community that is Silverton, a place steeped in history and surrounded by the most amazing landscapes you will have ever seen. It is also a community so remote and isolated it faces challenges unique from even other mountain communities.

We want to work in partnership with the federal government, the State of Colorado, our downstream neighbors and all interested parties to find a clean-up solution that is good for everyone, the environment and the economy. Our community recognizes both issues – the need to clean up the mines and the need to make sure we don't lose what is pure about Silverton in the process. We look forward to your suggestions and to working with you.

Thank you. I'm happy to answer any questions the committee may have.

Senator GARDNER. Thank you, Ms. Gallegos, and tell the Lisas congratulations.

[Laughter.]

Ms. GALLEGOS. I will.

Senator GARDNER. Mr. Corra.

**STATEMENT OF ANDREW CORRA, OWNER, 4CORNERS  
RIVERSPORTS, DURANGO, CO**

Mr. CORRA. Yes. Thank you for having me today, Senator Bennet and Senator Gardner. As Senator Bennet said, my name is Andy Corra and I own 4Corners Riversports in Durango, Colorado.

We have been around for 35 years and we employ up to 50 people in the high season. We are pretty diverse. We have a retail store, we have a paddle school, and we have a commercial rafting operation.

You know, the day the Gold King spill happened, it was a hard day in Durango. The river is, in many ways, the heart and soul of the community. It runs straight down the center of the valley and the mighty Animus runs just adjacent to downtown, and it is important to the people in town.

The picture there Mr. Blake has of those three kayakers, those are friends of mine who found themselves surrounded by the orange sludge, and they were the first ones who told us, hey, something is going on with the river. Word spread quickly throughout the community.

I went out on the Animas River Trail late in the afternoon as the spill was moving towards town and there were literally hundreds of people gathering along the trail, just in the section I was in. So, the whole trail through town, I understand, was filling up with people. And, I can tell you, it was like a funeral that day. You know, people were really upset. It felt really personal. There were a lot of tears shed. It felt like a close family member had been injured or hurt, and it really hurt the town. It hurt people's, you know, just morally hurt the people. But, it woke us up. You know, it woke us up to this longstanding pollution issue that we have in the Animas.

Durango invests a lot of money in making it a desirable place to live, and the investment pays off. We attract a lot of great businesses. We attract a lot of entrepreneurs, small business owners, creative thinkers, telecommuters. You know, you can see it. Our economy is strong in Durango.

Examples of these investments: We just completed a new \$3 million whitewater park, essentially a playground for rafters and kayakers. It is wonderful. The town has invested \$20 million in the Animas River Trail. I think one of the better examples is, recently, there was a half-cent sales tax passed in town. It is earmarked specifically for parks and recreation. That ballot measure passed by 69.5 percent of the vote. So, nearly 70 percent of the people in our town voted to tax themselves at a higher rate. I do not think that happens very often. I think that is really a testament to the spirit of our community.

So, 2015, for my business, was great. It was the best year that we had had in a long time. You know, we are used to a lot of adversity in the river business. We have drought years. We have down



economies that seem to affect the tourism market first. We can plan and adjust for those things. This year, we were going full speed. Sales were great. The rafts were filled with tourists. And then, boom, the river was closed. We did not have any time to plan, any time to adjust.

So, my rafting company, our sister company, lost about \$19,000. The paddle school was down about \$8,200. Stand-up paddleboard rentals and raft rentals, down about \$3,800. We went from up 9.8 percent to down 23 percent, and as Mr. Blake mentioned, one of the largest outfitters in town, the \$100,000 that he lost, that was in the eight days of closure. So, he was down 50 percent for that entire month of August.

You know, and beyond those losses, it is the 150 employees who immediately lost their jobs. So, those are raft guides. They are action video photographers, bus drivers, office personnel. They were immediately out of work. So, while we had the problem in the business, it is really those individuals that really concern me.

You know, I am confident, I am confident that with Senator Bennett's bill, the Gold King Mine Spill Recovery Act of 2015, our local community, our state, and the federal government, that a lot of those people will be made whole. My greater concern is that we address this long-term problem created from our region's mining legacy.

You know, mine pollution is not new to the Animas River. I mean, the Gold King mine blowout was spectacular, there is no doubt, three million gallons of bright orange toxic sludge going into the river in a matter of hours. But, I think it is important to know that that same mine was leaking 200 to 500 gallons of the same water every minute prior to that, that there are other contributing mines that add up to six million gallons a week. So, that is 330 million gallons of toxic water going into our watershed every year.

So, the Gold King represents, what, one week's worth of that natural drainage. So, that is where the outrage should be. That is where our energy should be directed. I mean, this is the ticking time bomb that hangs over our heads. As a business owner, it makes me reluctant to invest in the future if this is going to happen again.

And the impacts, like we have said, they go way beyond Durango. From Silverton, Colorado, to Grand Canyon, Arizona, people depend on this river. It is the lifeblood. And the headwaters of this lifeblood deserve to be cleaned up once and for all.

Look, I think everybody agrees that the EPA messed this one up, right. But, we waste a lot of our energy and anger going after these EPA firefighters who were tasked with the impossible job of putting out this out-of-control fire with a garden hose.

I mean, the spill makes clear that the piecemeal approach of the past is not working. It is a complex problem. There are tons of mine portals. There are bulkheads that need to be put in. There is water that needs to be redirected. There is water that needs to be treated. And it is an ongoing problem. We need a comprehensive approach to cleaning this up.

So, yes, good Samaritan legislation as proposed by the last Congress makes good sense. Yes, the 143-year-old 1872 Mining Law needs to be reformed and brought in line with other extraction in-

dustries. The EPA needs to partner with the stakeholders in Silverton. They have a lot of knowledge up there. They need to consult with those folks.

And, yes, we need a water treatment plant in Cement Creek today, and it needs to be fully funded. And I want to thank you Senators here for proposing that. It is a really important first step. But, understand that. It is only a first step. All of the above list—it does nothing to give us money today that we need. It does nothing to plan a long-term fix for this problem.

Look, it is a complicated problem. You know, there is really only one entity. Do we want—if we can reinvent the wheel and get money elsewhere, great. Let us do it. But right now, today, there is really one entity who can handle this. There is only one entity that has the experience, that has the technical expertise and has the potential funding sources, and that is the EPA.

I understand that it makes a lot of people nervous to invite in the EPA on a big basis. I get that a lot of the Senators may not want that type of fix. But right now, adding the Animas Basin's offending mines to the EPA's Superfund National Priorities List is really the only clear path forward.

I know there is a lot of fear around that, but I go to Moab, Utah—Superfund site. You been to Moab lately? It is booming. There are thousands and thousands of tourists flocking to that town. Aspen, Colorado, I do not think their real estate values are hurting from this. They are a Superfund site.

I think it can be done in a sensitive manner, in a directed manner, just at those mines. And if there is another funding source that can happen, great. But if I were the federal government and somebody came to me with this laundry list, I would say, well, that looks great. We have an excellent program for that. It is called the EPA and Superfund.

So, in conclusion, Durango and surrounding communities depend on the Animas River for water, drinking, irrigation, industry, and recreation. The ongoing pollution and the likely periodic major releases threaten our communities' health and livelihood. While supporting all of the above solutions, only the full effort and comprehensive approach of the EPA can address these problems permanently.

I appreciate your consideration of my comments and I welcome any questions.

[The prepared statement of Mr. Corra follows:]

**Testimony of Andrew Corra, Owner, 4Corners Riversports, Durango, Colorado, Regarding "The Significant Costs and Related Burdens for Small Business Resulting from the Gold King Mine Wastewater Spill near Silverton, Colorado", Senate Committee on Small Business and Entrepreneurship, October 1st, 2015**

Good morning Chairman Vitter, Ranking Member Shaheen and Members of the Committee.

My name is Andy Corra, and I own 4Corners Riversports in Durango, Colorado, a brick-and-mortar and online sporting goods retail store, paddle school for kids and adults, and sister commercial rafting company, 4Corners Whitewater. We have been in business for over 35 years and are a true family owned enterprise. Starting in a garage in 1980, we have grown into our current river front location and become a fixture in the community, with over 50 employees in the summer months.

**The Day the Gold King Mine Spill Passed through Durango**

Durango is a true river town with the Animas flowing directly through the length of the city. The river is in many ways the heart and soul of the community. I first received word that the spill's plume was coming from some kayaking customers who found themselves in the orange water on an upper section of the river. Word spread quickly through the boating community, and by late afternoon people were gathering on the Animas River Trail to see the mine waste come through town. By evening, as the plume entered the city limits, hundreds were gathered along the banks. It had the feeling of a funeral. It was a personal blow, like witnessing a family member being abused. There was a lot of anguish, sadness, and more than a few tears that night. It exposed what we had all been downplaying or outright ignoring in the Animas River. It was a graphic example to all that our river was not well. For those of us in the boating community it was a reminder of what lurks in the water daily. For the more casual users, it was a wake-up call to the ongoing pollution problems in the drainage.

**Community Investments in Durango's River and Recreation Economy**

Durango has invested in making ours a great place to live. We see how this attracts small businesses, entrepreneurs, professionals and creative thinkers, all which contribute to building and sustaining our strong economy. This makes businesses like mine possible. Durango's newly completed Whitewater Park, with nearly 3 million dollars of in-stream and landscaping improvements; our seven mile long (and growing) Animas River Trail; the river put-ins and riverfront parks, are all examples of these community investments. And they pay dividends. In 2008 a city commissioned economic impact study, showed that the river and river related businesses contributed 19.2 million annually to the local economy. That number has only increased since. This study, and the Park itself, grew from the city's process of obtaining a Recreational In-Channel Diversion, or RICD, which guarantees water will flow through our community, on a junior water-right basis, in perpetuity. Durango recognizes the importance of water in the river and has

paid significantly to secure this.

Citizens of Durango recently passed an extension of our ½ cent sales tax through the year 2039. The ballot question asked voters to continue funding the Animas River Trail, river front parks, and other recreational facilities. The measure passed with 69.5% of the vote! This is a testament to our community's commitment to our river, river trail, and recreation. Clean water in the Animas is essential to the success of these investments.

#### **Immediate Economic Impacts of the Gold King Mine Spill**

2015 was shaping up as a great season with visitors exceeding pre-recession numbers, hotels full and outfitters busy. In the river business, we're used to seasonality, bad water years, rainy days with cancellations. We usually have some foresight for droughts, low tourist numbers and the like. We can cut back inventories, hire fewer guides, order less equipment. But this year, with one month left in the season, we were all going full speed- then, BOOM! The river was closed! It remained closed for eight days, but the fear and uncertainty meant our season was effectively over. That last month is usually when lines-of-credit are paid back, when most of the gear is paid for, that month where we hope to make a little money to see us through the winter. It was gone. No chance to plan, just gone.

Losses to 4Corners Whitewater, our rafting sister company, are calculated at just over \$19,000; 4Corners Riversports Paddle School's losses at \$8,200; Paddle Board and Kayak rental losses at \$3,800; retail store losses are harder to calculate, but our brick-and-mortar store went from up 9.8% YTD through August 5<sup>th</sup>, to down 23% August 6<sup>th</sup> through present. The owner of the largest rafting/ outfitting business in town, Mild to Wild, shared with me that his business lost \$100,000 in the eight days of river closure (based on previous year sales), and was down 50% for the remainder of August after the river opened.

Beyond the losses to business owners, hundreds of river guides, paddle instructors, bus drivers, reservation and scheduling folks, were out of work, creating immediate hardships, and the wages they would have earned did not cycle through our local economy.

Harder to calculate are the future opportunities that will never be as our river and our town received media attention of a magnitude and story we never wished for. Many locals are wary of the river now, some down right scared. What the rest of the world perceives and how it affects those who planned, or might one day consider visiting our town, is what concerns me most. I trust that the individuals who lost their jobs, outfitters who lost their season, irrigators who lost their crops, and all who felt financial pain from the spill are made whole. Senator Bennet's Bill, "Gold King Mine Spill Recovery Act of 2015" does much to address the losses, and I'm confident that between our local communities, our State, and you, our federal representatives, those injured will be compensated.

### **Long Term Effects of the Spill and Continuing Pollution**

My greater concern is that we address the problems created from our region's mining legacy. Mine pollution is not new to the Animas River but has been occurring for well over 100 years. While the Gold King blowout was spectacular, releasing an estimated 3 million gallons of heavy metal tainted water in a matter of hours, prior to the blowout it was leaking an estimated 200 – 500 gallons per minute. Other mines in the area contribute over 6 million additional gallons per week- 330 million gallons a year! While the spill was unacceptable, it represents but a weeks worth of "normal" drainage. That is where our outrage and energy should be directed.

This is the ticking time bomb that hangs over our heads, the one that makes us hesitant to invest in the future of our river economy. And the impacts go well beyond Durango. Many communities depend on this water. Directly below the town of Silverton, through miles of incredible wilderness, much of the river is dead with no aquatic life, no bugs and no fish. When the river spills from the mountains to the rich Animas Valley above Durango, farmers and ranchers use the water for crops and livestock, and to replenish their wells. Durango uses it for municipal, industrial, and recreational purposes. Downstream, Aztec, Bloomfield, and Farmington, NM use it for the same, as do the Southern Utes and Navajo Nation, before it enters the San Juan River, Lake Powell, and eventually Grand Canyon. This waterway, the lifeblood for so many, deserves to have its headwaters cleaned up once and for all.

### **Long Term Solutions**

While the EPA should be, and is, taking responsibility for the disaster, our energy is wasted in anger at the firefighters who were tasked with managing a large and out of control fire with a garden hose. This spill makes clear that a piecemeal approach is no longer acceptable. The ongoing polluted drainage, the threat of future, potentially bigger blowouts that WILL occur, the exposed waste piles that leach into the watershed with each spring melt, summer shower, and fall flood. These are the composite-web of issues that require a comprehensive solution. Good Samaritan legislation like that presented in the last Congress by the bipartisan coalition of Congressmen Bennet, Tipton, and Udall, should be adopted; the 143 year old 1872 mining law should be reformed and brought in line with other extraction industries to help hold perpetrators responsible and fund future cleanups; stakeholders with local knowledge and expertise should be consulted and partnered with. But these measures alone are not enough. The long standing, ongoing, complicated problem of mine waste and wastewater in the Upper Animas Basin requires a multi-faceted, long term, well-funded approach that only the Federal Government can offer. I appreciate the work of Senators Gardner and Bennet encouraging the EPA to build a wastewater treatment plant in Cement Creek- it should be funded. This tributary is a significant contributor to the problem and treating this water an important first step. But know that it is only that- a first step. The Federal Government has worked with other communities in Colorado to clean up mine related pollution, such as the Arkansas River headwaters in Leadville. We need this for our

river. No other entity but the EPA has the experience, the technical expertise, or the funding mechanism, to tackle a problem this complex. Adding the Upper Animas Basin's offending mines and mine waste tailings dumps to the EPA's Superfund National Priorities List is a clear path forward in addressing this long term water pollution with real solutions.

In conclusion, Durango and communities from the basin's headwaters in Silverton, Colorado to those in New Mexico and beyond, depend on Animas River water for drinking, irrigating, industry and recreation. The ongoing pollution that enters these waters everyday, along with likely periodic major releases, threatens our communities' health and livelihoods. While supporting an all-of-the-above approach to cleaning up mine waste, only with the full effort and comprehensive approach of the EPA can these problems be addressed permanently.

I appreciate your consideration of my statements and for the opportunity to present them to you today.

Senator GARDNER. Thank you, Mr. Corra.

We will jump right into questions, and I think we will probably just go back and forth on questions and get through several of these.

I wanted to start—Mr. Blake, if you want to start with this, and then feel free, Ms. Gallegos or Mr. Corra, to jump in, as well. Can you talk about some of the experiences that you have heard from businesses in the two counties about how they are going to handle this from the cost, calculate lost revenue, how they are moving forward, and then also perhaps talk about lost revenue to the county, if you have been able to make that calculation yet.

Mr. BLAKE. Well, I will start off with lost revenue to the county. We have a lot of time just with county employees in working with the EPA. I will add that our staff, our county manager and our county attorney and all the support staff just did an excellent job of really leading the effort and coordinating with the EPA. They have done an excellent job. So, there are costs there.

If you want to look at taxes, larger taxes directly were affected. We are not sure quite yet—not sure yet how much they were affected, but those are taxes that would take a hit.

Some people have said, well, the EPA came to town and filled up all the rooms that were not taken, but I will remind you that they do not pay lodgers' tax, and lodgers' tax goes directly to what we were talking about, fighting against any negative images that might have occurred. The Durango Area Tourism Office does a great job of putting information out about the whole Four Corners area and drawing people in.

As far as businesses, I have talked to a lot of business people, from the farmers that I mentioned to the real estate offices. I talked to one gal who actually had somebody just walk away from a real estate deal, as was mentioned by Ms. Gallegos. People are nervous about this. It really worries them.

Calls—I personally had calls from friends and family around the country that said, hey, what is going on? One of my cousins was extremely upset, because he remembers the days when we were kids fishing in that river. He said, "I remember those days fishing in the river and how fun they were, how beautiful the river was." He was very upset about it.

So, there are those images, those concerns. Congressman Tipton mentioned perception. It really is a lot about perception. The river may have returned back to its normal or as close to normal as you can get, but it is back to where it was. People do not necessarily get that information. They are still seeing the images like I mentioned earlier, and that, I think, is what we are looking to next year, what will be the outcome of this, and maybe even the following year.

Senator GARDNER. Mr. Blake, to follow up on that, has the EPA indicated that they will reimburse the county, then, for the time, the employee time that you have had and the equipment time that you have had?

Mr. BLAKE. They have.

Senator GARDNER. Okay, and the full cost reimbursement?

Mr. BLAKE. We are working with them on reimbursement, and so far, I think, that is going along as could be expected. We, as far

as I know, have not received any funds yet. We have spent in excess of \$200,000——

Senator GARDNER. Just the county budget?

Mr. BLAKE. Just the county, yes. That is just the county.

Senator GARDNER. Just the county.

Mr. BLAKE. There are a lot of businesses that were impacted, from a small amount to a larger amount. Some of the businesses that were mentioned, if they have been—taken a hit of \$100,000 or more, that is a problem, because the Form 95 that the EPA provides does not allow for recovering what you have lost. It has a limit on what you can actually recover.

Senator GARDNER. Thank you, Mr. Blake.

And, if I could get Form 95 entered into the record, too, I think that would help, too, so we will just put that in the record, as well.

[The information follows:]



CLAIM FOR DAMAGE, INJURY, OR DEATH		INSTRUCTIONS: Please read carefully the instructions on the reverse side and supply information requested on both sides of this form. Use additional sheet(s) if necessary. See reverse side for additional instructions.		FORM APPROVED OMB NO. 1105-0008	
1. Submit to Appropriate Federal Agency:  U.S. Environmental Protection Agency Attn: Gold King Mine Release (A8K9) Claims 1595 Wynkoop ST (MC-8RC) Denver, CO 80202-1129			2. Name, address of claimant, and claimant's personal representative if any. (See instructions on reverse). Number, Street, City, State and Zip code.		
3. TYPE OF EMPLOYMENT <input type="checkbox"/> MILITARY <input type="checkbox"/> CIVILIAN	4. DATE OF BIRTH	5. MARITAL STATUS	6. DATE AND DAY OF ACCIDENT	7. TIME (A.M. OR P.M.)	
8. BASIS OF CLAIM (State in detail the known facts and circumstances attending the damage, injury, or death, identifying persons and property involved, the place of occurrence and the cause thereof. Use additional pages if necessary).					
9. <b>PROPERTY DAMAGE</b> NAME AND ADDRESS OF OWNER, IF OTHER THAN CLAIMANT (Number, Street, City, State, and Zip Code).  BRIEFLY DESCRIBE THE PROPERTY, NATURE AND EXTENT OF THE DAMAGE AND THE LOCATION OF WHERE THE PROPERTY MAY BE INSPECTED. (See instructions on reverse side).					
10. <b>PERSONAL INJURY/WRONGFUL DEATH</b> STATE THE NATURE AND EXTENT OF EACH INJURY OR CAUSE OF DEATH, WHICH FORMS THE BASIS OF THE CLAIM. IF OTHER THAN CLAIMANT, STATE THE NAME OF THE INJURED PERSON OR DECEDENT.					
11. <b>WITNESSES</b>					
NAME		ADDRESS (Number, Street, City, State, and Zip Code)			
12. (See instructions on reverse). <b>AMOUNT OF CLAIM (in dollars)</b>					
12a. PROPERTY DAMAGE	12b. PERSONAL INJURY	12c. WRONGFUL DEATH	12d. TOTAL (Failure to specify may cause forfeiture of your rights).		
I CERTIFY THAT THE AMOUNT OF CLAIM COVERS ONLY DAMAGES AND INJURIES CAUSED BY THE INCIDENT ABOVE AND AGREE TO ACCEPT SAID AMOUNT IN FULL SATISFACTION AND FINAL SETTLEMENT OF THIS CLAIM.					
13a. SIGNATURE OF CLAIMANT (See instructions on reverse side).		13b. PHONE NUMBER OF PERSON SIGNING FORM		14. DATE OF SIGNATURE	
<b>CIVIL PENALTY FOR PRESENTING FRAUDULENT CLAIM</b>  The claimant is liable to the United States Government for a civil penalty of not less than \$5,000 and not more than \$10,000, plus 3 times the amount of damages sustained by the Government. (See 31 U.S.C. 3728).		<b>CRIMINAL PENALTY FOR PRESENTING FRAUDULENT CLAIM OR MAKING FALSE STATEMENTS</b>  Fine, imprisonment, or both. (See 18 U.S.C. 287, 1001.)			
Authorized for Local Reproduction Previous Edition is not Usable		NSN 7540-00-634-4046		STANDARD FORM 95 (REV. 2/2007) PRESCRIBED BY DEPT. OF JUSTICE 28 CFR 14.2	
95-109					

INSURANCE COVERAGE	
In order that subrogation claims may be adjudicated, it is essential that the claimant provide the following information regarding the insurance coverage of the vehicle or property.	
15. Do you carry accident insurance? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, give name and address of insurance company (Number, Street, City, State, and Zip Code) and policy number. <input type="checkbox"/> No	
16. Have you filed a claim with your insurance carrier in this instance, and if so, is it full coverage or deductible? <input type="checkbox"/> Yes <input type="checkbox"/> No	17. If deductible, state amount.
18. If a claim has been filed with your carrier, what action has your insurer taken or proposed to take with reference to your claim? (It is necessary that you ascertain these facts).	
19. Do you carry public liability and property damage insurance? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, give name and address of insurance carrier (Number, Street, City, State, and Zip Code). <input type="checkbox"/> No	
INSTRUCTIONS	
<p>Claims presented under the Federal Tort Claims Act should be submitted directly to the "appropriate Federal agency" whose employee(s) was involved in the incident. If the incident involves more than one claimant, each claimant should submit a separate claim form.</p> <p style="text-align: center;">Complete all items - Insert the word NONE where applicable.</p> <div style="display: flex; justify-content: space-between;"> <div style="width: 48%;"> <p><b>A CLAIM SHALL BE DEEMED TO HAVE BEEN PRESENTED WHEN A FEDERAL AGENCY RECEIVES FROM A CLAIMANT, HIS DULY AUTHORIZED AGENT, OR LEGAL REPRESENTATIVE, AN EXECUTED STANDARD FORM 95 OR OTHER WRITTEN NOTIFICATION OF AN INCIDENT, ACCOMPANIED BY A CLAIM FOR MONEY.</b></p> <p>Failure to completely execute this form or to supply the requested material within two years from the date the claim accrued may render your claim invalid. A claim is deemed presented when it is received by the appropriate agency, not when it is mailed.</p> <p>If instruction is needed in completing this form, the agency listed in item #1 on the reverse side may be contacted. Complete regulations pertaining to claims asserted under the Federal Tort Claims Act can be found in Title 28, Code of Federal Regulations, Part 14. Many agencies have published supplementing regulations. If more than one agency is involved, please state each agency.</p> <p>The claim may be filed by a duly authorized agent or other legal representative, provided evidence satisfactory to the Government is submitted with the claim establishing express authority to act for the claimant. A claim presented by an agent or legal representative must be presented in the name of the claimant. If the claim is signed by the agent or legal representative, it must show the title or legal capacity of the person signing and be accompanied by evidence of his/her authority to present a claim on behalf of the claimant as agent, executor, administrator, parent, guardian or other representative.</p> <p>If claimant intends to file for both personal injury and property damage, the amount for each must be shown in item number 12 of this form.</p> </div> <div style="width: 48%;"> <p><b>DAMAGES IN A SUM CERTAIN FOR INJURY TO OR LOSS OF PROPERTY, PERSONAL INJURY, OR DEATH ALLEGED TO HAVE OCCURRED BY REASON OF THE INCIDENT. THE CLAIM MUST BE PRESENTED TO THE APPROPRIATE FEDERAL AGENCY WITHIN TWO YEARS AFTER THE CLAIM ACCRUES.</b></p> <p>The amount claimed should be substantiated by competent evidence as follows:</p> <p>(a) In support of the claim for personal injury or death, the claimant should submit a written report by the attending physician, showing the nature and extent of the injury, the nature and extent of treatment, the degree of permanent disability, if any, the prognosis, and the period of hospitalization, or incapacitation, attaching itemized bills for medical, hospital, or burial expenses actually incurred.</p> <p>(b) In support of claims for damage to property, which has been or can be economically repaired, the claimant should submit at least two itemized signed statements or estimates by reliable, disinterested concerns, or, if payment has been made, the itemized signed receipts evidencing payment.</p> <p>(c) In support of claims for damage to property which is not economically repairable, or if the property is lost or destroyed, the claimant should submit statements as to the original cost of the property, the date of purchase, and the value of the property, both before and after the accident. Such statements should be by disinterested competent persons, preferably reputable dealers or officials familiar with the type of property damaged, or by two or more competitive bidders, and should be certified as being just and correct.</p> <p>(d) Failure to specify a sum certain will render your claim invalid and may result in forfeiture of your rights.</p> </div> </div>	
PRIVACY ACT NOTICE	
<p>This Notice is provided in accordance with the Privacy Act, 5 U.S.C. 552a(e)(3), and concerns the information requested in the letter to which this Notice is attached.</p> <p>A. <b>Authority:</b> The requested information is solicited pursuant to one or more of the following: 5 U.S.C. 301, 28 U.S.C. 501 et seq., 28 U.S.C. 2671 et seq., 28 C.F.R. Part 14.</p> <p>B. <b>Principal Purpose:</b> The information requested is to be used in evaluating claims.</p> <p>C. <b>Routine Use:</b> See the Notices of Systems of Records for the agency to whom you are submitting this form for this information.</p> <p>D. <b>Effect of Failure to Respond:</b> Disclosure is voluntary. However, failure to supply the requested information or to execute the form may render your claim "invalid."</p>	
PAPERWORK REDUCTION ACT NOTICE	
<p>This notice is <u>solely</u> for the purpose of the Paperwork Reduction Act, 44 U.S.C. 3501. Public reporting burden for this collection of information is estimated to average 8 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Director, Tort Branch, Attention: Paperwork Reduction Staff, Civil Division, U.S. Department of Justice, Washington, DC 20530 or to the Office of Management and Budget. Do not mail completed form(s) to these addresses.</p>	

Senator GARDNER. Do we know whether the real estate deal that you talked about, walking away—if somebody is there walking away from a real estate deal, that is a lost opportunity. Will that be something that you can submit on a claim? How do you prove that? That is just a loss that will never be reimbursed—

Mr. BLAKE. It would be really hard to prove—

Senator GARDNER. Yes.

Mr. BLAKE [continuing]. That they did not walk away—I mean, real estate deals fall apart all the time.

Senator GARDNER. Yes.

Mr. BLAKE. But—and there was more than just one. I have a personal friend that said her client walked away from the deal specifically because of that. I heard some other people mention similar stories. But hers, they specifically said, hey, that is it for us.

Senator GARDNER. And Mr. Corra, I do not know if you want to comment, but I am running out of time, so I will turn it over to Senator Bennet, but feel free, if you want to, to add to that, as well.

Mr. CORRA. Well, you know, we know what our direct costs were. I mean, it is pretty easy for us to calculate.

Senator GARDNER. Right around \$30,000, is that right?

Mr. CORRA. Yes, that is right. So, that is pretty easy for us to back into. You know, my concern, really, is the long-term impact. Like Brad said, the media images were, you know, were everywhere. I mean, we could not have asked for that kind of coverage, and we did not ask for that kind of coverage.

So, my concern is the people next year who are thinking about coming to Durango. So, what do we do about that? I mean, I think showing a concerted effort, letting people know that our river is cleaned up. You know, I was in the river the day before it closed and I was in the river the day it opened, and it was looking a little messy in Durango those first two days. I can tell you—

Senator GARDNER. You are not making us very jealous, by the way.

[Laughter.]

Mr. CORRA. Well, right. Right. Right. But, it is looking better in town. I mean, it does. And it looks—and Silverton is the same way. People are kind of used to the yellow stains that are on the edge. That has been going on for 100 years there.

But, it is things like, you know, when I first moved to Durango 35 years ago, there was a—the river was pretty dead above town. I mean, there were not many fish in the northern part, the North Valley above Durango. There were some, not many. And then they built a treatment plant on Cement Creek. It was run by one of the mining companies, and it was in the mid-1990s, and the river really cleaned up. And then the Durango section became a gold medal fishery. I think our status has since gone down. So, that operation shut down. That was run by a mining company. That shut down. And, the fish—now the bad water, the dead water is kind of moving downstream again and Durango is down a notch. We are not a gold medal fishery anymore because we are not supporting quite as many fish.

So, I think it is—it is those kind of optics and it is that kind of message we need to get out. If we start to clean it up with a treat-

ment plant in Cement Creek, I am confident we are going to start to see that clean up again. When that is a gold medal fishery again five or 10 years from now, people will forget about this. They will remember Durango, they will remember the Animas River, they will remember Silverton as that clean river.

Senator GARDNER. Senator Bennet.

Senator BENNET. Thank you, and since there are no other Senators here today, I can say today without fear of contradiction that it is an enormous privilege to represent the most beautiful state in the country, Colorado.

And you do—and I know Senator Gardner feels the same way—the testimony reminds me how much inspiration we draw from the people we represent. I mean, you cannot come from the north or south to Silverton and not think about the character of the people that built that community, Ms. Gallegos, as you were talking about, or take the Alpine Loop Trail, which I have done, and see railroads built at almost 14,000 feet by people. And I always think when I am there, first of all, what the character must have been like, the collaboration must have been like, and how empty the political conversation here would sound to the people that built Silverton.

And, you also—the other thing you do when you are traveling a lot through Colorado—you never stop when you are in one of these jobs, and you pick favorite places, and I can tell you a favorite place for me is the hotel that is right on the banks of the Animas River, the Doubletree there in Durango, because if you get a room on the back, you open up those doors and you can hear that river going by and there is nothing quite like it.

So, let me first say that, as Mr. Corra was saying, this community is open for business. There is lots to do there through the winter and in the summer months. And people should not take the wrong lesson from what we are trying to do here, because it is safe, but we want to make it safer and that is why we are all here today.

So, let me start with you, Mr. Corra, first. You mentioned that this woke us up. That is what you said in your testimony, and I think you talked about the long-term issue of legacy mine pollution in southwest Colorado, which, as far as I am concerned, that is the heart of the issue here going forward. We need to clean up the water coming out of these mines to prevent future blowouts and to address the underlying pollution in the river.

I wonder if you could use the opportunity here to tell us a little bit how the business community in Durango is thinking differently about this. What did you wake up to, and what can Congress help do to help tackle this problem?

Mr. CORRA. Right. Thank you for that. You know, I think what we woke up to—I mean, on a personal level, we woke up to maybe our river was not as pristine as we always had assumed. You know, we woke up to the fact that, gee, my kids splashing around in that water as a toddler, am I super comfortable with that?

I think the reality is that water is safe. I trust the numbers that have come from the EPA, and they have been confirmed by some local entities, and the water is safe. But, it does not mean that the water is pure. It does not mean it is as good as it should be.

I mean, below the town of Silverton, below Cement Creek, the river is essentially dead. You know, there are not fish and there are not bugs in that section of river. Mother Nature—between Durango and Silverton, there is 50 miles of pretty wild water. We will take you on that stretch someday. It is great. And that naturally kind of cleans it up. The metals kind of drop out at that point. So, we do have a pretty clean river in town.

But, you know, a lot of the business owners that I speak with, what they are concerned about are those optics. So, they are concerned that we have got this tainted impression across the country. I got those same phone calls as Brad got.

So, what I think that you can do is we can fund some real clean-up up there. It needs to be done in a sensitive manner. It needs to be done so that it does not impact Silverton, and I think it can be. You know, the mines in Cement Creek are not directly in the town, and I think if it is done properly, like in Moab, Utah, and other places that the town will benefit in the long term. If the optic is, hey, we are taking proactive action to clean this up, I think that goes a long way for the businesses of Silverton and certainly in Durango.

Senator BENNET. So, Ms. Gallegos, let me jump to you on the same point. You said in your testimony that Silverton was ready for a new relationship with EPA—

Ms. GALLEGOS. Yes.

Senator BENNET [continuing]. A different relationship with EPA. The EPA has committed to constructing a temporary treatment plant, as you know, but has not yet committed to finding a way to construct a permanent facility, which I think both of us would like to see. Tell us a little more about the way you would like it to go, going forward, as we try to seek a solution to this.

It is also important—I think Mr. Corra's point is a very important one, too, at the very end, that—and people need to understand this—that the water being treated would not be right in Silverton. It is north of the town.

Ms. GALLEGOS. We are the top of the watershed, and we understand that. And, yes, has this been a long problem. But, I do not believe that we have to go status quo.

Now, I want to make a point. I am not a politician. I have not been to every meeting with the EPA. But as a general citizen, also being part of the incident crisis team, my personal concern has been lack of transparency. Listening and analyzing all of these hearings that have been going on, again, my personal opinion is their testimony stands for itself. That is very concerning when you are inviting that into your backyard.

I look at Leadville. He says Moab. I say Leadville. There is a very well-written book about Leadville and the impact on the community of Leadville. So, just as many positive stories out there, there are also the horror stories.

I, personally, see it as a wait list. That is my concern. I agree with Mr. Corra that something needs to happen now and today. I travel up to the actual site on a regular basis and I see the blue tarps and I see the remediation and I see the holes and I see the sediment. Again, personal experience, the fact that Gina McCarthy has actually never stepped foot in my county, the fact that we had

to fight to get the EPA to come do a community meeting, the fact that not all situations work out blissfully, are concerning to me as a citizen, a landowner, and a third-generation Silvertonian.

I guess I ask, is it immediate money? When we asked that when the EPA came to town, there was a lot of, "We will get back to you." I would love to trust—I would love for—to know for my community that it would be instant, that it would come right away, but I do not. And hearing the real estate agency say just the talk of the stigma, deals are getting canceled, loans are not being offered for construction loans within our new Anvil community that we are desperately wanting to build are alarming for me.

Do I believe that the intention is there? Yes, but I am also a realist, and I also know what I have experienced, and I also know what I have seen and what I have heard in our relationship with the EPA. I also would like to acknowledge that we understand, and this might be weird to say, that we are in an arranged marriage with the EPA. We have been working with the EPA for over 25 years. They are here. They have been here. It is this accident that they caused that has brought this to the forth light, that has really made us the poster child, Superfund or to not.

Where we are concerned as a community is that it is our immediate neighbors. Our definition of neighbors has changed. It is Durango, to Farmington, to every county and town and state that touches that water. And we acknowledge that, we respect that, and we appreciate being brought to the table here today.

What my personal experience has been is that Silverton a lot of times has not been invited to the table. There has been a lot of finger pointing. I have received hate e-mails in my Chamber inbox. We have received strange phone calls. We have gotten cancellations. We have had tourists turn down water. There is an impression and a stigma, and again, we agree that that is our concern for long term.

To say your cash register did not change today does not mean it is not going to change tomorrow, or next year, or four years, five years. What is that going to look like? I am thinking long term. For us to figure out and calculate what is happening today is going to be time in the future for when those tax numbers come in and when the stories continue to roll. This is only less than a couple months. It feels like 10 years, but it has only been less than a couple months.

But what I ask, again, in that pioneer spirit—and this is, again, personal ask—is that we think outside of the box. Is it the magic bullet? I do not know that. I cannot say that. What does it actually mean to be on the priorities list? Wait list? Immediate remediation? We, as well, want to see immediate remediation. To see that the work that is happening up there is wonderful, but let us keep going. Let us go forward. Let us make it permanent. We also want a water treatment plant. But, does it have to be like it has been done since the 1980s? I do not know that. And, again, we are turning over our trust to you.

Senator GARDNER. Thank you.

And, to follow up on some of the comments that have been made about the funding and some of the Form 95, or the claims them-

selves, to your knowledge, has anybody been reimbursed for a claim that has been filed?

Ms. GALLEGOS. No.

Senator GARDNER. No?

Mr. CORRA. Not yet, no.

Senator GARDNER. No. And I think you just said it, there is no time line that they have given for when they would be filed, or have you heard that it would be made in the next week, month, six months? Any time frame?

Ms. GALLEGOS. No.

Senator GARDNER. To the best of anybody's knowledge?

Mr. BLAKE. The—La Plata County actually set up with the EPA a meeting place where people could come with their form to get help filling it out. It is not a real easy form or friendly form to fill out. But La Plata County actually was proactive in helping folks fill that out, and I believe they can still get help if they need to.

I think the incident command center has kind of been—has stood down at this point, but I think there is still some help out there.

Senator GARDNER. Senator Bennet, anything?

Senator BENNET. No, I—

Senator GARDNER. Do you have any follow-up questions or anything?

Senator BENNET. I have been asking questions of the Commissioner, so let me ask you one question, which is, is there more that Senator Gardner and I can do to be helpful to you as you try to interact with these federal agencies or think about what legislation we might want to pass?

Mr. BLAKE. Well, the EPA is a pretty big machine. We found that out when they came to town in force. They were up above Silverton doing some work on a small scale. It turned into a big scale, and when they all came in, it was a pretty big group of folks that showed up. But, I think that that could be something that works against them, almost, so many people that came and a lot of different folks would show up every week. We would ask for certain things. The next group would come in and the ball would kind of get dropped. So, I think the size might actually be a detriment.

I would agree that a collaboration would be good, if possible, because there are a lot of experts that are from the mining industry that have done a lot of good work up in the Mineral Creek drainage. They have done a lot of cleanup on their own, on a piecemeal. They do one here, one there, and I think that that is a great opportunity to see the best things happen, because you get experts that have been doing it. They put bulkheads in those mines. They have seen a lot of cleanup. And, not that the EPA does not have experts, but there are people that have been there a long time. And, I would agree that I think a collaboration is really the best way to go.

Senator BENNET. Well, I appreciate it, and I just want to, as Chairman Gardner said at the outset, thank each of you for taking time to come here today. It is a long trip, I know, and you have got other things—you have got day jobs that you need to worry about. So, we are very grateful. But, this testimony has been incredibly helpful and our offices are going to continue to work with you to make sure that we put this right.

Thank you, Senator Gardner, for holding this hearing.

Senator GARDNER. And thank you, Senator Bennet, for your participation. Thank Congressman Tipton, as well, for his participation. To the witnesses, thank you very much for your time and testimony.

There is a lot of work that we need to do following up, I mean, ideas on reimbursement, getting ideas for time frames. We have got to figure out what the time frame is going to be. We have to figure out what kind of claims are going to be accepted, lost opportunity. The Form 95 can be filed for two years. Does that mean somebody next summer, after they realize that they have seen an impact from this, can they file? What does that mean? Or do they have to be during the time frame? And, so, again, we will get those questions from—answers from the EPA for those questions.

But, you have got a commitment from Senator Bennet and I to continue to work on these issues, whether it is conversations on the 1872 Mining Law, good Samaritan law. These are things that we can no longer—we cannot wait. And, you are here today as part of the solution and we truly, truly appreciate that.

Thank you for your time and testimony today. Thank you to Chairman Vitter for allowing this committee hearing to be held. And, we wish you safe travels back home.

This committee hearing is adjourned.

[Whereupon, at 11:15 a.m., the committee was adjourned.]

