



STATE MINING AND GEOLOGY BOARD

DEPARTMENT OF CONSERVATION

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OFFICIAL NOTICE OF PUBLIC MEETING

THE STATE MINING AND GEOLOGY BOARD

Conducted a Regular Business Meeting on:

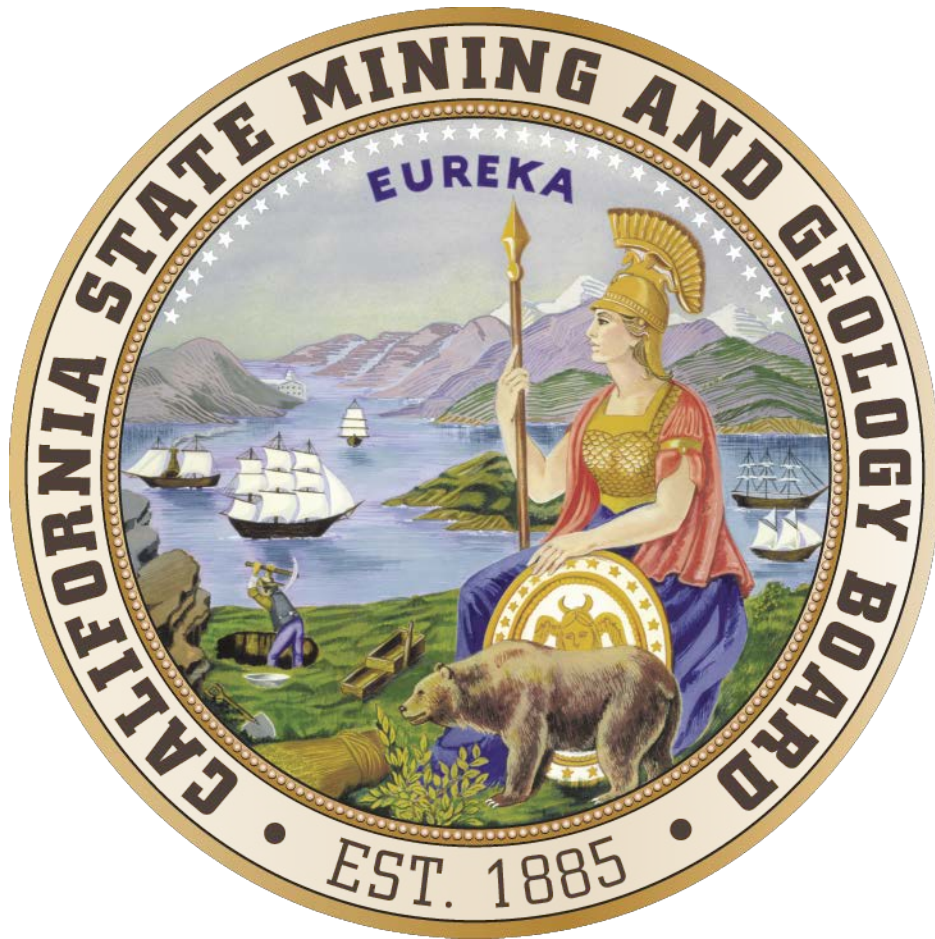
Thursday, June 9, 2016

9:30 A.M.

LOCATION:

**Assembly Hearing Room #444
State Capitol
Sacramento, California 95814**

For questions regarding this Agenda, please contact the SMGB office by telephone at (916) 322-1082, or electronically at smbg@conservation.ca.gov. This Notice and associated staff reports can be accessed electronically at the SMGB's Internet web site at: <http://www.consrv.ca.gov/smgb/>.



I. Call to Order (Kracov)

II. Pledge of Allegiance

III. Roll Call and Declaration of a Quorum

The meeting was called to order at 9:40 a.m., with Member Lane absent, and a quorum was declared.

IV. Review of the Agenda (Kracov)

V. Department Report [Information]

- Director's Report [Information]

David Bunn, Director, reported on the following:

- This is a critical time for the Board with all the new regulations, and the DOC will offer whatever help is needed.
- Welcomed Dr. Zafir, and new EO, Jeffrey Schmidt.
- A priority for DOC is focusing on outreach and assistance to local agencies. A survey was sent out to county planning departments statewide, asking about the department's interaction with local agencies, how well new information and technical assistance has been provided, and how the department may improve.

- State Geologist's Report (Parrish) [Information]

Dr. John Parrish, State Geologist, reported on the following:

- CGS has hired four new engineering geologists, including a senior engineering geologist in the minerals program.
- The Governor's budget has allocated \$10 million from the General Fund as a one-time punch towards the Earthquake Early Warning System being established. With \$6 million from the USGS and the Moore Foundation over the last several years, plus \$8 million from USGS, they will easily match the \$23 million needed to build out the California system, which should be completed by the middle of 2018.
- On June 10 the final A-P maps for San Bernardino and El Dorado Counties will be released to all affected lead agencies and general public.
- Next week is the Association of American Geologists annual business meeting in Anchorage, Alaska. 40 State Geologists and a dozen federal agencies will meet to go over 3-year budgets for the states.

Chair Kracov asked for an update on the SP 42 guidance document; Dr. Parrish stated that they have 35 names for the proposed Technical Advisory Committee (TAC), and will be selecting 6-7 by July 1 to revise and rewrite SP 42. A draft for peer review should be ready in three months, with the finished product published by the end of the year. Chair Kracov also asked whether CGS anticipates the release of any draft maps that will trigger a role for the Board; Dr. Parrish stated that in September they will release another 4-6 A-P maps and 1-2 seismic hazard maps.

- Office of Mine Reclamation Report (Perez) [Information]

Pat Perez, Director of OMR, reported on the following:

- OMR's 25th Anniversary exhibit is now on display outside the Natural Resources Agency Secretary's office.

- There are no changes on the personnel front; will be losing an AGPA and an Engineering Geologist in mid-July due to maternity leave.
- Extended an invitation to Dr. Zafir, and Mr. Schmidt to attend the next OMR all-staff meeting on June 16.

Chair Kracov inquired about the status of the LARA rollout; Mr. Perez stated that they are continuing to review mine files in conjunction with the lead agencies to make sure they have all the same documents, and are working on the ability to receive large documents electronically. The program is on track to start in the late summer/early fall.

VI. Chairman's Report (Kracov) [Information]

- The Board received an Administrative Penalty petition from the Sycamore Road Pit in San Luis Obispo County; on May 4 the petitioner was notified that the Board does not have jurisdiction.
- Acknowledged and thanked Mr. Arcand for stepping up and filling in during the interim without an Executive Officer.
- Recognized former Board Member Gavric and presented her with a plaque commemorating her time on the Board.

VII. Executive Officer's Report (Schmidt) [Information]

- He has almost four weeks under his belt, and has spent that time in meet and greets, workshops, and online classes, as well as immersing himself in the Board budget, SMARA, and the Alquist Priolo Act.

VIII. Ex-Parte Communication Disclosure [Information]

[SMGB Members will identify any discussions they may have had requiring disclosure pursuant to Public Resources Code Sections 663.1 and 663.2.]

No Ex-Parte Communications.

IX. Public Comment Period [Information]

[This time is scheduled to provide the public with an opportunity to address non-agenda items. Those wishing to speak should do so at this time. All persons wishing to address the SMGB should fill out a speaker card and present it to the Secretary so that the Chair can determine the number of persons who wish to speak. Speakers are limited to three minutes except by special consent of the Chairman.]

Izzy Martin, CEO, Sierra Fund, stated that the Sierra Fund is holding their Bi-Annual Reclaiming the Sierra Conference on May 8-9, 2017 at CSUS.

X. Consent Items [Action]

[All the items appearing under this section will be acted upon by the SMGB by one motion and without discussion; however, any SMGB member wishing to discuss a particular item may request the Chairman to remove the item from the Consent Calendar and consider it separately under Continued Business or New Business.]

1. Approval of Minutes, June 9, 2016, Regular Business Meeting.
2. Approval of a Revised Financial Assurance Cost Estimate for Cal Sierra Development (CA Mine ID #91-58-0003), Cal Sierra Development, Inc. (Operator), Anthony Massey (Agent), County of Yuba.

3. Acceptance of Inspection Reports as Performed and Completed Pursuant to Public Resources Code Section 2774(b) for the following Surface Mining Operations:

2015 Inspection:

- Timm Mine (CA Mine ID #91-09-0006), County of El Dorado.
- Super Creek Quarry (CA Mine ID #91-33-0003), City of Desert Hot Springs.
- Azevedo Quarry (CA Mine ID #91-43-0003), City of San Jose.
- Western Aggregates (CA Mine ID #91-58-0001), County of Yuba.
- Wheatland Mine (CA Mine ID #91-58-0007), County of Yuba.

The Azevedo Quarry inspection report was removed from consent for further discussion. Member Landregan moved to approve the remaining consent items, with the amendments noted to the minutes. Member Noushkam seconded and the motion carried with a unanimous roll call vote.

Member Potter moved to approve the Azevedo Quarry inspection report with the noted violation. Member Kenline seconded and the motion carried with a roll call vote with Members Anderson and Landregan voting against.

XI. Continued Business [Action]

[These business items have been continued from a previous meeting/hearing.]

No continued business.

XII. New Business [Action]

4. Consideration of Initial Rulemaking Package for Proposed Revision to California Code of Regulations (CCR), Title 14, Division 2, Chapter 8, Subchapter 1, Article 8, Section 3698 – Fees Calculation.

April Balestreri, OMR Reporting Unit, and Will Arcand, SMGB Senior Engineering Geologist, briefly described the rulemaking package, the reason behind it, and a timeline of the process.

Member Noushkam moved to approve the proposed revisions and to direct SMGB staff to proceed with the rulemaking. Member Landregan seconded and the motion carried with a roll call vote, with Member Anderson abstaining.

XIII. Special Reports and Department Presentations [Possible Action]

[Based on these Reports, the Chair may instruct SMGB staff to initiate administrative actions.]

5. Informational Report on SMARA Reform Overview. [OMR]

Pat Perez, Director of OMR, presented an overview of the recent SMARA reform legislation, the process leading up to it, and the major changes. He also discussed the upcoming rulemaking packages and their prioritization, as well as the pre-rulemaking process.

Member Landregan stated that the Board needs to be sure to address all the nuances that may arise from each rulemaking and be sure that there is no conflict between rulemakings. She also stated that the licensed individuals who will be affected should be included in the outreach process.

Member Anderson asked how the flow down effects of specific rulemakings will be addressed and disseminated to lead agencies. Mr. Perez stated that as the pre-rulemaking workshops begin, there will be a number of issues such as this that will arise, and OMR will work within their various channels to be sure lead agencies receive the information they need.

Member Noushkam requested a better definition of the staff allocation between the Board, OMR, and DOC.

Adam Harper, Director of Policy Analysis for CalCIMA, stated that CalCIMA, CSAC, and RCRC have already begun outreach to operators and lead agencies. He outlined the changes that will affect lead agencies, and noted that the Board will have to begin thinking about how it operates as a lead agency.

Chris Tiedemann, Board Counsel, stated that staff is critically important to the rulemaking process, and expects that Board staff will work cooperatively with DOC staff on drafting regulatory language and bringing it before the Board. She also recommended that the workshops be held as stand-alone meetings rather than as a committee of the Board.

Informational item only; no action taken.

6. Informational Report on the Office of Mine Reclamation's Abandoned Mines Land Program. [OMR]

Deferred

XIV. SMGB Committee Reports [Information and Action]

- Geohazards Committee (Chairperson Potter)
- Minerals Conservation and Reclamation Committee (Chairperson Kenline)
- Board Policy and Administration Committee (Vice Chair Landregan)
- Board Lead Agency Standards Committee (Chairperson Noushkam)

XV. New Business [Information]

[This item is provided as an opportunity for any SMGB member to bring any item of new business to the SMGB's attention for further discussion and further action.]

No new business.

XVI. Executive Session (Closed to the Public) [Action]

[The SMGB will discuss information from its legal counsel on personnel matters and pending litigation and may take appropriate actions based on this information. This session is being held under Government Code, Section 11126.] Items to be discussed:

- i. Pending Litigation to which the SMGB, or its officials, are a party:
 1. Dutra Materials vs. SMGB, Chevron Products Company Real Party in Interest, Case No. N10-0388, Contra Costa Superior Court.
 2. A. Teichert and Sons, Inc. v. SMGB, Western Aggregates, LLC. Real Party in Interest, Case No. 34-2010-80000528, Sacramento County Superior Court.

3. William Calvert, Elfriede Calvert and the Yuba Goldfields Access Coalition v. SMGB, Western Aggregates, LLC. Real Party in Interest, Case No. 34-2010-80000530, Sacramento County Superior Court.
4. Joe & Yvette Hardesty v. SMGB, & DOES 1-100 Inclusive, Case No. 34-2010-80000594, Sacramento County Superior Court.
5. A. Teichert & Son, Inc. v. California State Mining and Geology Board, no. 34-80000528 and Calvert, et al. v. California State Mining and Geology Board, no. 34-2010-80000530.
6. Daniel Tankersley v. Will Arcand, et al., Case No. 2:15-CV-01278-TLN-CMK.
7. Joseph Hardesty, et al v. Sac Met Air Qual Mgmt District, et al (Bivens); United States District Court, Eastern District of California, Case No. 2:10cv-02414-KJMKJN
8. In addition, the SMGB may consider litigation matters which fall under Government Code Sections 11126(e)(2)(B) and 11126(e)(2)(C).

Re-open Regular Business Session, Announce Results of Executive Session

Deputy Attorney General Chris Tiedemann announced that the Board met in Executive Session and no reportable action was taken.

XVII. Announcements of Future Meetings

July 14 was announced as the date of the next meeting, with Sacramento as the location.

XVIII. Adjournment

The meeting was adjourned at 4:10 p.m.

APPROVED



Gideon Kracov, Chairman

Jeffrey Schmidt, Executive Officer