



STATE MINING AND GEOLOGY BOARD

DEPARTMENT OF CONSERVATION

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CONFORMED MINUTES

THE STATE MINING AND GEOLOGY BOARD

Conducted a Regular Business Meeting on:

Thursday, May 12, 2011

at 9:30 A. M.

Lake Elsinore Cultural Arts Center
183 North Main Street
Lake Elsinore, California 92530

AGENDA

For questions regarding this Agenda, please contact the SMGB office by telephone at (916) 322-1082, or by facsimile at (916) 445-0738. This Notice and associated staff reports can be accessed electronically at the SMGB's Internet web site at: <http://www.consrv.ca.gov/smgb/> (note: Agenda reports should be available electronically approximately one week prior to the scheduled meeting/hearing date).

The SMGB requires that all lengthy comments be submitted in writing in advance of the meeting date where this matter is to be decided. To ensure that the SMGB has the opportunity to fully preview written material, comments should be received in the SMGB office located at 801 K Street, Sacramento, CA, 95814, no later than 5:00 P.M., 15 calendar days prior to the scheduled meeting date, and must identify the Agenda Item to which it relates. For written materials in excess of two pages, or that contains large maps, photos, foldouts, or other documents requiring special handling, please submit 15 copies. The SMGB will not reproduce these types of documents. Comments on Agenda Items will be accepted by electronic mail, and are subject to the same conditions set forth for other written submissions.

New submittals received after 15 calendar days prior to the scheduled meeting date will be marked as late, and the SMGB will decide whether new submittals will be considered or not during the public hearing. Late submittals, received by the SMGB at least 48 hours prior to the scheduled meeting, will be included in a late document submittal listing. Late submittals, received after 48 hours prior to the scheduled meeting, will not be included on the late document submittal list. The SMGB would accept a two-page written summary of testimony, or final comments based on, and limited to, review of the SMGB's packet and/or Executive Officer's report, at the time of the public hearing. Such two-page summaries would be included as part of the administrative record before the SMGB. This

policy does not apply to quasijudicial proceedings (i.e., appeals, petitions, etc.) where administrative procedures for the submittal of documents are set forth in statute and regulation.

Individuals are responsible for presenting their own projects at the meeting.

[NOTE: Times are approximate. The chairman may alter the hearing start time or agenda item order during the meeting.]

I. Call to Order (Garner)

II. Pledge of Allegiance

III. Roll Call and Declaration of a Quorum

The meeting was called to order at 9:30 A. M. by Chairman Garner, and a quorum was declared.

IV. Director's Report (Chernow, Department of Conservation) [Information]

Acting Director Derek Chernow reported on the following:

- SMGB Member Kathy Lund was congratulated on her re-appointment to the SMGB.
- After a very strong interview process, Jim Pompy was named Assistant Director, Office of Mine Reclamation, last month. We are pleased that Jim has stepped into this leadership role and know he will do well.
- Last week, I participated in Senate Budget hearings. The Department had a few items on the agenda. Most were technical and were approved. A \$1.2 million re-appropriation for some Watershed Program funding was held open.
- Yesterday, I attended the "Flip the Switch" event at the BoDean Mark West Quarry in Sonoma County. It became the first quarry in the world to be 100 percent reliant on solar power and is the largest ground mounted solar array project yet built in Sonoma County.
- The Governor has instituted additional restrictions on In-State travel. We have worked with Board staff on gaining a blanket exemption for SMGB Members and staff travel to Board meetings, as well as conducting "normal business activities" such as mine inspections.
- Last month, CalCIMA had their Annual Legislative Reception. I attended along with a number of other folks from the Department of Conservation.
- Last month, our Division of Land Resource Protection released the 2006-2008 Farmland Conversion Report, which is posted on our website. Loss of agricultural land, particularly Prime Farmland, occurred at a record pace during the 2006-08 period. The data documents the effects of the economic recession on urban development and the idling of farmland in response to water shortages, particularly in the San Joaquin Valley.

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

Acting Director Derek Chernow reported on behalf of Dr. John Parrish, State Geologist and Director of the California Geological Survey, provided a written report on the following activities:

- CGS continues to monitor and collect information from the March 11, 2011 Tohoku Magnitude 9.0 Earthquake (Japan) and its effects on California. Property damage to California harbors amounts to about \$50 million. CGS is working with the California



Emergency Management Agency (CalEMA) and FEMA to establish contracts to study tsunami hazard impacts to various California harbors from distant and local earthquake activities.

- On May 18th the CGS will host a large educational booth for State Scientists' Day on the front lawn of the State Capitol. CGS staff will provide hands-on demonstrations in mineralogy, earthquakes, tsunamis, volcanoes and other geological activities to approximately 4,000 school children who will visit the Capitol grounds. This is part of CGS's educational outreach program.
- On Friday, May 19th the State Geologist will participate as a board member at a meeting at Richmond Station (Berkeley) of the Consortium of Organizations for Strong Motion Observation Systems (COSMOS). COSMOS is a U. S.-based organization that sets standards for strong motion instrumentation, recording, and data processing. Standards adopted by COSMOS are used worldwide by operators of strong motion networks. Strong motion data that meet these standards are collected, processed, and archived by the Center for Engineering Strong Motion Data in Sacramento, which is operated jointly by the U. S. Geological Survey and the CGS.
- Thanks to much assistance from the Department of Conservation, CGS has been able to hire two new Engineering Geologists to work in the Seismic Hazards Assessment Program. This program reviews geological and geotechnical reports from over 430 schools and 65 hospitals each year prior to their receiving building permits from the State Architect and from the Office of Statewide Health Planning and Development (OSHPD), respectively. One of the new Engineering Geologists will work in CGS's Los Angeles Office, the other in the Sacramento Office.

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

Jim Pompy, Assistant Director, Office of Mine Reclamation (OMR), reported on the following activities:

- Conducting enforcement actions on a Tungsten Mine in Los Angeles County.
- Recently completed a SMARA workshop held on April 26-27 in Victorville.
- The SMGB will hear reports for Counties of Alameda and Mono, and the City of Truckee from the OMR Lead Agency Review Team (LART) at the SMGB's scheduled June 2011 meeting.
- OMR Reporting and Compliance Unit is working on responses to the Administrative Penalty Petitions received by the SMGB.

V. Chairman's Report (Garner) [Information]

- Chairman Garner noted a meeting held between representatives of the SMGB and Natural Resources Agency Secretary Laird. Topics discussed included activities of the SMGB, aggregate reserves in the state where currently a 7-year projected reserve exists and it would be prudent to maintain a 50-year reserve, the need to facilitate permitting and Mineral Resources Zones in relation to land use, and Agenda Item 14 to be discussed later today. A couple of meetings were also held with Acting Director Chernow pertaining to communications between the DOC and the SMGB.



VI. Executive Officer's Report (Testa) [Information]

Executive Officer Stephen Testa summarized the following recent and upcoming activities of the SMGB:

- Final rulemaking packet for Amended Form MRRC-4L was submitted to the Office of Administrative Law. Designation pertaining to the Bakersfield Production-Consumption Region will be submitted immediately upon adoption by the SMGB at its scheduled June 2011 regular business meeting.
- Two other regulatory packages are in preparation for receipt of public comment. These pertain to designation and termination of designation of certain sectors within the San Bernardino and Palm Springs Production-Consumption Regions.
- On May 5, 2011, a NOV was issued to operators of the Big Cut Mine. You may recall that an administrative penalty for the amount of \$100,000 was issued to the operators for illegal conduct of surface mining activities at this site located in El Dorado County. Not only did the operators not make payment of the penalty amount, but expanded operations, and failed to protect downstream beneficial uses of water, and control sedimentation and minimize siltation of watercourses. The SMGB can anticipate hearing an OTC consideration in July, with a public hearing in September.
- On April 10, 2010, the SMGB at its March 11, 2010, regular business meeting adopted its findings of fact adopted and granting vested rights to Western Aggregates for 3,927-acres located in the Yuba Goldfields in Yuba County. Following this determination, a new version of an amended reclamation plan for Western Aggregates, Yuba County, was recently received and currently undergoing review by SMGB and OMR staff.
- A revised slope stability analysis for the Super Creek Quarry, City of Desert of Hot Springs, was received in mid-February, and currently under review by SMGB staff and OMR.
- About 20 Administrative Petitions have been received for failure to submit a Mining Operation Annual Report. The SMGB will hear those petitions accepted by the Chairman at its scheduled June and July, 2011, regular business meetings.
- The SMGB can anticipate receiving a progress report from OMR and the County of pertaining to the Hansen Permanente Quarry.

VII. Ex-Parte Communication Disclosure [Information]

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

- Member Baca disclosed participation in discussions with Senator Rubio, and representatives of CalCIMA, DOC and the SMGB's Executive Officer regarding proposed SB 108 which pertains to idle mines.

VIII. Good of the Meeting [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.]

- No Good of the Meeting information was presented.



IX. 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 Board 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, February 10, 2011, Regular Business Meeting.

This agenda item was deferred.

2. Approval of a Revised Financial Assurance Cost Estimate for Bear Creek Quarry (CA Mine ID #91-09-0001), Mr. Boyd Sears (Agent), Butte Equipment Rentals (Operator), County of El Dorado.

Board Member Tepel moved to approve the minutes. Board Member Lane seconded and the motion carried with a unanimous voice vote.

3. Approval of a Revised Financial Assurance Cost Estimate for Somerset Sand Mine (CA Mine ID #91-09-0009), Mr. Tom Celio (Agent), El Dorado County Department of Transportation (Operator), County of El Dorado.

Board Member Tepel moved to approve the revised financial assurance. Board Member Lane seconded and the motion carried with a unanimous voice vote.

4. Approval of a Revised Financial Assurance Cost Estimate for Marin Quarry (CA Mine ID #91-09-0015), Mr. Robert Mertz (Agent), Sierra Pacific Industries (Operator), County of El Dorado.

Board Member Tepel moved to approve the revised financial assurance. Board Member Lane seconded and the motion carried with a unanimous voice vote.

5. Approval of a Revised Financial Assurance Cost Estimate for Knife River Hallwood Plant (CA Mine ID #91-58-0002), Mr. Rene Vercruyussen (Agent), Knife River Construction (Operator), County of Yuba.

Board Member Tepel moved to approve the revised financial assurance. Board Member Lane seconded and the motion carried with a unanimous voice vote.

6. Approval of a Revised Financial Assurance Cost Estimate for Dantoni Pit (CA Mine ID #91-58-0011), Mr. Noble Plant (Agent), Kino Aggregates Inc. (Operator), County of Yuba.

Board Member Tepel moved to approve the revised financial assurance. Board Member Lane seconded and the motion carried with a unanimous voice vote.

X. Continued Business [Action]

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

No continued business was conducted.



XI. New Business [Action]

7. **Public Hearing:** Consideration of Order to Comply, Pacific Clay Pits (CA Mine ID #91-33-0006), Chad Warren (Agent), Pacific Clay Products, Inc. (Operator), City of Lake Elsinore.

Executive Officer Testa stated that on April 11, 2011, the Director of the Department of Conservation, Office of Mine Reclamation (OMR), issued an Order to Comply to Pacific Clay Pits (CA Mine ID #91-33-0006), operator Pacific Clay Products, Inc. The Notice and Order addresses the operator's alleged violations of the Surface Mining and Reclamation Act (SMARA, Public Resources Code Section 2710 et seq.), specifically Public Resources Code Section 2770. An order issued by the Director is subject to an automatic hearing (appeal) before the State Mining and Geology Board (SMGB) prior the order becoming effective (reference PRC Section 2774.1[b]). The SMGB is considering whether the Director had sufficient evidence to support the order at the time it was issued. If such evidence supports issuance of the OTC and any effective date in the order, the OTC shall be upheld.

Board Member Baca moved to continue this agenda item for a 60-day period. Board Member Tepel seconded and the motion carried with a unanimous voice vote.

8. **Public Hearing:** Consideration of Order to Comply, Mountain Avenue Pit #2 (CA Mine ID #91-33-0020), Chad Warren (Agent), Pacific Aggregates, Inc. (Operator), City of Lake Elsinore.

Executive Officer Testa stated that on April 11, 2011, the Director of the Department of Conservation, Office of Mine Reclamation (OMR), issued an Order to Comply to Pacific Clay Pits (CA Mine ID #91-33-0020), operator Pacific Clay Products, Inc. The Notice and Order addresses the operator's alleged violations of the Surface Mining and Reclamation Act (SMARA, Public Resources Code Section 2710 et seq.), specifically Public Resources Code Section 2770. An order issued by the Director is subject to an automatic hearing (appeal) before the State Mining and Geology Board (SMGB) prior the order becoming effective (reference PRC Section 2774.1[b]). The SMGB is considering whether the Director had sufficient evidence to support the order at the time it was issued. If such evidence supports issuance of the OTC and any effective date in the order, the OTC shall be upheld.

Board Member Baca moved to defer this public hearing until the SMGB's scheduled July 14, 2011, regular business meeting, which will be held in the City of Lake Elsinore. Board Member Tepel seconded and the motion carried with a unanimous voice vote.

9. **Public Hearing:** Consideration of Order to Comply, Brighton Alberhill Clay Mine (CA Mine ID #91-33-0022), Chad Warren (Agent), Pacific Clay Products, Inc. (Operator), City of Lake Elsinore.

Executive Officer stated that on April 11, 2011, the Director of the Department of Conservation, Office of Mine Reclamation (OMR), issued an Order to Comply to Pacific Clay Pits (CA Mine ID #91-33-0022), operator Pacific Clay Products, Inc. The Notice and Order addresses the operator's alleged violations of the Surface Mining and Reclamation Act (SMARA, Public Resources Code Section 2710 et seq.), specifically Public Resources Code Section 2770. An order issued by the Director is subject to an automatic hearing (appeal) before the State Mining and Geology Board (SMGB) prior the order becoming effective (reference PRC Section 2774.1[b]). The SMGB is considering whether the Director had sufficient evidence to support the order at the time it was



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issued. If such evidence supports issuance of the OTC and any effective date in the order, the OTC shall be upheld.

Board Member Baca moved to continue this agenda item for a 60-day period. Board Member Tepel seconded and the motion carried with a unanimous voice vote.

10. **Public Hearing:** Consideration of Order to Comply, Murdoch Alberhill Ranch (CA Mine ID #91-33-0073), Chad Warren (Agent), Pacific Clay Products, Inc. (Operator), City of Lake Elsinore.

Executive Officer Testa stated that On April 11, 2011, the Director of the Department of Conservation, Office of Mine Reclamation (OMR), issued an Order to Comply to Pacific Clay Pits (CA Mine ID #91-33-0073), operator Pacific Clay Products, Inc. The Notice and Order addresses the operator's alleged violations of the Surface Mining and Reclamation Act (SMARA, Public Resources Code Section 2710 et seq.), specifically Public Resources Code Section 2770. An order issued by the Director is subject to an automatic hearing (appeal) before the State Mining and Geology Board (SMGB) prior the order becoming effective (reference PRC Section 2774.1[b]). The SMGB is considering whether the Director had sufficient evidence to support the order at the time it was issued. If such evidence supports issuance of the OTC and any effective date in the order, the OTC shall be upheld.

Board Member Baca moved to continue this agenda item for a 60-day period. Board Member Tepel seconded and the motion carried with a unanimous voice vote.

11. **Public Hearing:** Assumption Consideration Following Issuance of a 45-Day Notice to Correct Deficiencies to the City of Lake Elsinore Pursuant to the Surface Mining and Reclamation Act (SMARA).

Executive Officer Testa stated that in November 2009, the SMGB received a public complaint pertaining to certain surface mining operations located within the jurisdiction of the City of Lake Elsinore (City). The complaints were forwarded to the Department of Conservation, Office of Mine Reclamation (OMR). OMR performed a site visit in March 2010, and presented a summary of its site visit at the SMGB's July 10, 2010, regular business meeting, and revisited the site on Nov. 17, 2010. OMR issued a 15-Day Notice to the City on September 16, 2010. The City initially requested additional time for submittal of information as noted in their letter dated August 6, 2010. Such information provided by the City is enclosed in the SMGB packet, and deemed upon review inadequate and incomplete. OMR subsequently issued NOV followed by OTC to certain operators within the City's jurisdiction. Several issues were identified that warranted issuance of a 45-Day Notice to Correct Deficiencies to the City. This Notice was issued on December 21, 2010. The City responded on February 7, 2011 – such response was deemed inadequate for reasons stated in the Executive Officer's report. The City responded again on April 29, 2011, with a commitment to provide its action plan in advance of this meeting – although some elements of that plan was outlined, no such plan was received.

The SMGB is considering whether the SMGB should assume none, in part or whole, the City's SMARA lead agency responsibilities, with exception to permitting. A SMARA lead agency need only fail in one of the six conditions set forth pursuant to PRC Section 2774.4(a) for the SMGB to consider commencement of the administrative process toward assumption of the lead agency's SMARA responsibilities and obligations, excluding permitting authority. The City has clearly met these criteria. However, the issuance of a 45-Day Notice to Correct Deficiencies by the SMGB allows for an opportunity for a lead agency to make its case that it is committed to maintaining an



effective SMARA program, and fulfilling its obligations and responsibilities as a lead agency in accordance with SMARA and the SMGB's regulations. Thus, the question is whether the City is prepared to fulfill its role as a SMARA lead agency based on 1) review of the City's response to the 45-Day Notice to Correct Deficiencies, 2) review of the City's response to OMR's 15-Day Notice, 3) the City's understanding of SMARA administrative and enforcement processes, and 4) willingness to dedicate the necessary resources required for an effective SMARA program. With OMR's assistance and initiation of enforcement actions, the path toward full compliance for all surface mining operations within the jurisdiction of the City has been mapped through a stipulated Order to Comply. Several options are before the SMGB.

- Should the SMGB not accept the findings set forth in the EO's report (Pages 18-19), then the board cannot assume.
 - Should the SMGB accept the findings, then the board can 1) assume whole or in part the City's lead agency SMARA authority, or 2) not assume but monitor the City's progress.
 - Should the City choose the latter, that being to monitor, then certain performance standards are provided as part of the EO's recommendations, and it is also being requested that the City report back to the board in 6 months on its progress.
- Representing OMR, Jim Pompy and Kevin Doherty presented an overview and status of surface mining operations within the jurisdiction of the City.
 - Representing the City of Lake Elsinore, the SMGB heard from Councilwoman Melissa Melendez, Director of Public Works Ken Seumalo, Planning Commissioner Michael O'Neal, Planning Commissioner Rick Morsch, City Manager Robert Brady, City Attorney Barbara Leibold, and Special Council Mark Harrison.
 - Representing the City of Canyon Lake Mayor Pro Tem Nancy Horton, City of Hemet Councilmember Larry Smith, and Riverside County Supervisor District 1 Bob Buster.
 - Representing the operators, the SMGB heard from WyRoc representatives Jeff Halloran and Bob Snodgrass, Pacific Clay Products foremen Tony Cruz and Quality Control Jose Gutierrez, Pacific Aggregates operator Vince Lugo, and Kim Joseph Cousiins.
 - Representing the public, the SMGB heard from Fred Barte, Ed Fitzpatrick with the Shopoff Group, Tim Fleming, Sharon Gallina, Julie Gilbert, Diane Hansen, Adele Harrison, Monica Hernandez, Eike Hohenadl, Chris Hyland, MaryAnn Shushan Miller, Max Miller, Conservation Chair with the Santa Margarita Group of the Sierra Club Pam Nelson, Roland Shelton, Crack Turner, and Ursula Zettlemoyer.

Board Member Lund moved to find that the City of Lake Elsinore made an effort to fulfill its responsibilities and obligations as a lead agency under SMARA. Board Member Baca seconded and the motion carried with a unanimous voice vote.

Board Member Lund moved that the SMGB continue to monitor the City of Lake Elsinore's progress, and have the City comply with the performance standards set forth in the recommendations of the Executive Officer's report, and report back to the SMGB in six months. Board Member Wyatt seconded and the motion carried with a unanimous voice vote.

12. Approval of Recommended Statutory Language to Clarify Public Resources Code Section 2774(c) pertaining to Lead Agency Certification of Reclamation Plans pursuant to the Surface Mining and Reclamation Act.

Executive Officer Testa stated that under SMARA, PRC Section 2774(c) requires that a lead agency certify to the Director of the Department of Conservation (DOC) and also submit to the director for use in reviewing the reclamation plan or plan amendments 1) information from any related document



prepared, adopted, or certified pursuant to Division 13 (commencing with Section 21000), and shall submit any other pertinent information, and 2) a reclamation plan is in compliance with the applicable requirements of Article 1 of the SMGB, regulations, commencing with CCR Section 3500.

Specifically, the issue is that staff of the local agency cannot make a conclusionary determination that a reclamation plan is complete and in compliance with SMARA. Only the decision-makers can make such a conclusionary determination. Thus, an amendment to this statute may need to be considered that interpret this requirement to mean that the Planning Director of an agency makes a preliminary determination subject to later consideration by the decision-makers in a public hearing.

Board Member Wyatt moved to approve the recommended language. Board Member Lund seconded and the motion carried with a unanimous voice vote.

13. Review and Establishment of the Board's Committees Pursuant to the State Mining and Geology Board's Bylaws (III Organization).

Executive Officer Testa stated that the SMGB appoints committees to assist in its work. The existing four committees approved back in January are Geohazards, Minerals & Geologic Resources, Policy & Legislation, and Surface Mining Standard Committees. The above committees present no conflicts with statute or the SMGB's bylaws, and in the view of the EO, remain valid. The review and establishment of SMGB committees are discretionary acts by the SMGB and its Chairman.

Chairman Garner was appointed to the Surface Mining Standards Committee.

14. Approval to Authorize Chair to Provide Written Follow-Up to Natural Resources Secretary John Laird in Response to Issues Raised During the April 28, 2011, Meeting.

Chairman Garner summarized his meeting along with representatives of the SMGB with Natural Resources Agency Secretary Laird, and discussed the status of mineral resources and reclamation in the state, and some of the primary problems with dwindling reserves such as urban sprawl, permitting at the local government level which hinders development and generates litigation, and nimbyism.

Chairman Garner with a consensus of the SMGB directed Executive Officer Testa to draft a 3-5 summary of issues facing the state for SMGB review, prior to finalization and forwarding to Secretary Laird.

XII. Special Reports and Department Presentations [Possible Action]

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

15. Inspection reports pursuant to PRC Section 2774(b) for the following surface mining operations may be presented for SMGB acceptance consideration as being in accordance with the SMGB's requirements:

- Hanson Alcatraz, Presidio, Point Knox (CA Mine ID #91-38-0001), BCDC.
- Hanson Point Knox South (CA Mine ID #91-38-0002), BCDC.
- Hanson Point Knox Shoal (CA Mine ID #91-38-0003), BCDC.
- Hanson Alcatraz South Shoal (CA Mine ID #91-38-0004), BCDC.
- Hanson Suisun Bay (CA Mine ID #91-38-0005), BCDC.



- Hanson Suisun Bay Middleground (CA Mine ID #91-38-0006), BCDC.
- Jerico Suisun Bay Middleground (CA Mine ID #91-38-0007), BCDC.
- Morris Tug & Barge Marine Oyster Shell Mining (CA Mine ID #91-38-00011), BCDC.
- San Francisco Marina Dredging Operation (CA Mine ID #91-38-0012), BCDC.

SMGB Staff Will Arcand presented the inspection reports.

Board Member Baca moved to accept the inspection reports. Board Member Tepel seconded and the motion carried with a unanimous voice vote.

XIII. SMGB Committee Reports [Information and Possible Action]

- Geohazards Committee
 - Alquist-Priolo Technical Advisory Committee (Chairperson Tepel)
- Surface Mining and Standards Committee (Chairperson Lund)
- Minerals and Geologic Resources Committee (Chairperson Tepel)
- Policy and Legislation Committee (Chairperson Baca)

No Committee reports were presented.

XIV. Continuing Business [Information]

[This item is provided as an opportunity for any SMGB member to receive information on or any items of continuing interest to the SMGB.]

No continuing business information was discussed.

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.] Items to be discussed:

No new business offered.

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

[The SMGB will discuss information from its legal counsel on 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:

- a). Brunius vs. SMGB, Case # PC 20010449, El Dorado County Superior Court.
- b). Kibbe Area Planning and Protection Association; Forest Tull vs. SMGB; A. Teichert & Sons, Inc.; and DOES 1010, Case No. 34-2007-00882657-CU-WM-GOS, Sacramento County Superior Court.
- c). Dutra Materials vs. SMGB, Chevron Products Company Real Party in Interest, Case No. N10-0388, Contra Costa Superior Court.
- d). A. Teichert and Sons, Inc. v. SMGB, Western Aggregates, LLC. Real Party in Interest, Case No. 34-2010-80000528, Sacramento County Superior Court.
- e). 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.



- f). North Continent Land and Timber, Inc. vs. SMGB, Department of Conservation, Office of Mine Reclamation, County of Butte Board of Supervisors, Case No. 34-2010-80000542, Sacramento County Superior Court.
- g). Joe & Yvette Hardesty v. SMGB, & DOES 1-100 Inclusive, Case No. 34-2010-80000594, Sacramento County Superior Court.
- h). Discussion of SMGB budget and staff issues.
- i). An un-named case where there is potentially significant exposure to litigation against the SMGB.
- j). Consideration of the adjustment of the salary of the Executive Officer position.

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

Deputy Attorney Rick Thalhammer announced that the Chairman is to prepare a letter to be forwarded to the Acting Director regarding the Executive Officer's salary, otherwise, no action was taken.

XVII. Announcements of Future Meetings

June 9, 2011, was announced as the next meeting, and Sacramento as the location.

XVIII. Adjournment

The meeting was adjourned at 4:00 P.M.

APPROVED

Erin Garner, Chairman

Stephen M. Testa, Executive Officer

