



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, October 8, 2015

9:30 A.M.

LOCATION:

Assembly Hearing Room #444
State Capitol
Sacramento, California 95814

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

I. Call to Order (Kracov)

II. Pledge of Allegiance

III. Roll Call and Declaration of a Quorum

The meeting was called to order at 9:38 A. M. by Chairman Kracov, with Members Noushkam and Gavric absent, and a quorum was declared.

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

Department of Conservation Deputy Director Jason Marshall, reported on the following:

- The two bills pertaining to SMARA reform, AB 1142 and SB 209, will be taken up again in January when the Legislature returns.

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

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

- The USGS will be placing Earthquake Early Warning devices throughout the Los Angeles Unified School District, and CGS has converted 15 field stations to be part of the warning system.
- CGS was contacted by Cal Fire to provide site reconnaissance assessment of debris flow and landslide hazards as a result of the Butte and Valley fires. A preliminary map has been issued and a report should be available next week.

Member Kenline asked whether the debris flow and landslide maps were available to the public; Dr. Parrish stated that the final maps would be distributed to lead agencies by the Office of Emergency Services.

Chairman Kracov requested advance notice of some of the programs and presentations that CGS attends, and also inquired about the release of future A-P maps. Dr. Parrish stated that they expect the next round of maps to be released either at the end of November or beginning of December.

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

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

- To date, the number of mine operators who have not filed annual reports is down to 109 from 175 at the last meeting and 30-day notices will be issued to the non-filers.
- The upcoming workshop in Indio has been cancelled due to lack of reservations. The workshop in Auburn on November 4-5 is still scheduled, and has over 20 participants registered including SMGB Member Lane.
- Informational update on the LARA program is ready for the November meeting.

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

- Discussion with Deputy Attorney General Tiedemann regarding consistency in the language in documents with the Strategic Plan.



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

Executive Officer Testa reported on the following:

- SMGB staff has commenced the annual surface mine inspections for 2015. All existing CEQA projects have been completed, with the current standing CEQA contract to expire September 1, 2015. Procurement of a new contract will commence by end of year.
- Final rulemaking packet for the North San Francisco Bay Production-Consumption (P-C) Region, following the SMGB's re-adoption on August 13, is in progress, and anticipated to be done before end of year. Non-substantial cleanup is also required for consistency in terminology etc. for this section of the SMGB's regulations which is also planned to be accomplished by end of year.
- Designation Reports for the San Luis Obispo-Santa Barbara and Stockton-Lodi P-C Regions, respectively, are to commence promptly.
- A Designation Appeal was received on September 29 from the San Pedro Road Coalition for a vested surface mining operation located in the County of Marin. The Chair has 15 days upon receipt to make a Determination of Jurisdiction.
- A Model Mineral Resources Management Plan is to be prepared for discussion and consideration later this year.
- Work on the Geohazards Committee Technical Advisory Committee report on the Alquist-Priolo Earthquake Fault Zoning Act continues as a high priority item, with anticipated completion by end of year.
- The California Construction and Industrial Materials Association (CalCIMA) Educational Conference is scheduled for Nov. 15-18 in Monterey

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.]

No Ex-Parte discussions were disclosed.

VIII. 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.]

No Public Comments.

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, August 13, 2015, Regular Business Meeting.

Vice Chair Anderson moved to approve the minutes. Member Kenline seconded the motion and the motion carried with a unanimous roll call vote.



2. Approval of a Revised Financial Assurance Cost Estimate for the Diamond Quarry (CA Mine ID #91-09-0003), Sierra Rock (Operator), Linda Brunius (Agent), County of El Dorado.

Vice Chair Anderson moved to approve the revised financial assurance cost estimate. Member Kenline seconded the motion and the motion carried with a unanimous roll call vote.

3. Approval of a Revised Financial Assurance Cost Estimate for the Pyrite Quarry (CA Mine ID #91-33-0062), Aggtech, Inc. (Operator), Stan "Buck" Houck (Agent), City of Jurupa Valley.

Vice Chair Anderson moved to approve the revised financial assurance cost estimate. Member Kenline seconded the motion and the motion carried with a unanimous roll call vote.

X. Continued Business [Action]

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

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

Will Arcand, SMGB Lead Agency staff, noted that based on board members' requests at the previous meeting, the Financial Assurance Cost Estimate was revised to include monitoring of the revegetation component following initial planting on the site.

Member Landregan moved to approve the revised financial assurance cost estimate. Vice Chair Anderson seconded the motion and the motion carried with a unanimous roll call vote.

XI. New Business [Action]

5. **Public Hearing:** Consideration of an Order to Comply to Cal Sierra (CA Mine ID #91-58-0003), Cal Sierra Development, Inc. (Operator), Tony Massey (Agent), County of Yuba, to Correct Violations of the Surface Mining and Reclamation Act (Public Resources Code Section 2710 et seq.).

Deferred.

6. Consideration of Site Closure, Hanson Middleground TLS39 (CA Mine ID #91-38-0006), Hanson Marine Operations, Inc. (Operator), Tina Lau (Agent), San Francisco Bay Conservation and Development Commission.

Member Potter moved to approve site closure. Member Lane seconded the motion and the motion carried with a unanimous roll call vote.

7. Consideration of Comments and Recommendations on the Preliminary Review Map of Proposed Earthquake Fault Zones of June 4, 2014, Indio and Thermal Canyon Quadrangles, Riverside County.

Executive Officer Testa noted that the DOC CGS on June 4, 2015, released Preliminary Earthquake Zones of Required Investigation maps for the Indio and Thermal Canyon Quadrangles. The accompanying Fault Evaluation Report FER-250 was also released on June 4, 2015. On



September 30, 2015, the Geohazards Committee (Committee) reviewed and considered technical comments received during the 90-day public comment period which commenced on June 4, 2015, and ended on September 4, 2015. Upon issuance of the preliminary map and accompanying FER-250 on June 4, 2015, the 90-day public comment period commenced, ending on September 4, 2015. Three comments were received during such period. Technical comments received were summarized and pertained specifically to the Coachella Fan Fault Zone. There remains significant differences in interpretation. Although the SMGB has authority to establish a third-party reviewer, or other appeal mechanism, in light of the comments received, it is recommended that CGS revisit its analysis and resultant characterization of this area prior to finalizing the maps for the Indio and Thermal Canyon Quadrangles.

Member Lane moved to forward the comments and recommendations to the State Geologist. Member Potter seconded the motion and the motion carried with a unanimous roll call vote.

8. Approval of Regulatory Language for Designation, and Termination of Designation, of Mineral Lands in the Temescal Valley Production Region, Orange and Riverside Counties, California.

Executive Officer Testa noted that the SMGB, based on recommendations from the State Geologist and public input, prioritizes areas to be classified and/or designated. CGS Special Report (SR) 231 updated information previously presented in a classification report on Portland cement concrete-grade (PCC) aggregate in the Temescal Valley Production Area first published in 1987. The previous report was published by the California Division of Mines and Geology (CDMG; now CGS) as SR143, Part III, and SR 206. At its April 10, 2014 regular business meeting, the SMGB accepted CGS Special Report 231. The State Geologist has recommended designation, and termination of designation, of select mineral resource lands in the Temescal Valley Production Area, Riverside County, California. On June 11, 2015, the SMGB accepted the State Geologist's Recommendations, and directed its Executive Officer to schedule a public hearing to receive comments on the proposed action. The public comment period commenced on July 24, 2015 and ended on September 22, 2015. A public hearing to receive public comment was also held on this proposed action on August 18, 2015. The SMGB is considering approval of the proposed regulatory action. Two comments were received and summarized. Due to overlapping P-C Regions, additional amended rulemaking will be required for the San Bernardino P-C Region.

Member Landregan moved to approve the proposed regulatory language and directed the Executive Officer to commence rulemaking. Member Kenline seconded the motion and the motion carried with a roll call vote. Vice Chair Anderson recused himself from the discussion and vote.

9. Acceptance of Updated Designation Report of Regionally Significant Aggregate Resources in the San Bernardino Production-Consumption Region, Counties of San Bernardino and Riverside.

Executive Officer Testa noted that designation is the formal recognition by the SMGB of lands containing mineral resources of regional or statewide economic significance that are needed to meet the demands of the future. On October 1, 2014, regulations set forth by the SMGB for the designation of regionally significant aggregate resources in the San Bernardino Production-Consumption (P-C) Region, San Bernardino and Riverside Counties, were enacted. The SMGB is considering accepting the designation report for this P-C Region, and directing the Executive Officer in collaboration with CGS, to finalize the SMGB's Designation Report No. 14 titled "*Update of Mineral Land Designation for Regionally Significant Aggregate Resources in the San Bernardino Production-Consumption Region, Counties of San Bernardino and Riverside.*"



Member Potter moved to accept the report and directed the Executive Officer to finalize and follow up on sectors identified for reconsideration. Member Kenline seconded the motion and the motion carried with a roll call vote. Vice Chair Anderson recused himself from the discussion and vote.

10. Consideration of the State Mining and Geology Board's 2014-2015 Annual Report.

No action taken.

XII. Special Reports and Department Presentations [Possible Action]

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

11. Acceptance of State Mining and Geology Board's Information Report No. 11 titled "*Responsibilities of the Lead Agency under California's Surface Mining and Reclamation Act (SMARA).*"

Continued.

12. Quarterly Information Report on the State Mining and Geology Board's 2015-2016 Annual Budget.

Executive Officer Testa noted that the fiscal year 2013-2014 was the first year that the SMGB was noted as a separate item in the Governor's Budget. This change differed from previous years when the SMGB's budget was subsumed within CGS's budget. The SMGB's budget as depicted in the Governor's 2015-2016 Budget Plan is \$1,244,000. The SMGB's budget when serving as a board for fiscal year 2014-2015 is \$447,056 (PCA 71604), and includes costs for two staff personnel (Executive Officer and Executive Assistant). Essentially, the SMGB's budget (PCA 71604) covers salaries, honorariums and expenses. The SMGB's budget when serving as a lead agency under the Surface Mining and Reclamation Act (SMARA) is \$357,000 (PCA 71602) which incorporates two staff personnel (Senior Engineering Geologist and Office Technician), and for the payment of all attorney fees including services rendered by the Attorney General's Office as a board and as a SMARA lead agency). In addition, about \$45,000 additional monies are obtained in the conduct of mine inspections when the SMGB serves as a lead agency.

No action taken.

13. Quarterly Information Report on the State Mining and Geology Board's Strategic Plan.

No action taken.

14. Acceptance of Inspection Reports as Performed and Completed Pursuant to PRC Section 2774(b) for the following Surface Mining Operations:

- Chile Bar Slate Mine (CA Mine ID #91-09-0004), County of El Dorado.
- Cool Cave Quarry (CA Mine ID #91-09-0005), County of El Dorado.
- Somerset Sand Yard (CA Mine ID #91-09-0009), County of El Dorado.
- Marin Quarry (CA Mine ID #91-09-0015), County of El Dorado.
- Sonora Pit (CA Mine ID #91-26-0037), County of Mono.
- Long Valley Mineral Mining Site (CA Mine ID #91-26-0046), County of Mono.
- Rocky Point Borrow Site (CA Mine ID #91-32-0010), County of Plumas.



- Willow Creek (CA Mine ID #91-32-0012), County of Plumas.

Member Lane moved to accept the inspection reports as performed and completed. Member Kenline seconded, and the motion carried with a unanimous roll call vote.

XIII. SMGB Committee Reports [Information and Possible Action]

- Geohazards Committee (Chairperson Gavric)
- Alquist-Priolo Technical Advisory Committee (Executive Officer Testa)
- Minerals Conservation and Reclamation Committee (Chairperson Kenline)
- Board Policy and Administration Committee (Chairperson Mendez)
- Board Lead Agency Standards Committee (Chairperson Noushkam)

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 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 was discussed.

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:

- i. Pending Litigation to which the SMGB is 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. Discussion of Superior Court cases, 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. Weber Creek Quarry
- ii. 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

No Executive Session was held.

XVII. Announcements of Future Meetings

December 10 was announced as the date of the next scheduled meeting, with Sacramento as the location.

XVIII. Adjournment

The meeting was adjourned at 1:25 p.m.



APPROVED

Gideon Kracov, Chairman

Stephen M. Testa, Executive Officer

