



State Mining and Geology Board



2020 - 2021 Annual Report

Honorable Members of the State Legislature and Governor Newsom,

The 2020 - 2021 Annual Report covers the reporting period from July 1st, 2020 through June 30th, 2021 and is submitted by the California State Mining and Geology Board to both the State Legislature and the Governor pursuant to *Public Resources Code section 2717*. This report serves as an introduction and overview of the Board, its statutory and regulatory mandates, its accomplishments, and its legislative recommendations.

The Board believes that the regulation of the surface mining industry, the reclamation of mined lands, the dissemination of earthquake and seismic hazard information, and the prudent use of its natural resources is an ongoing and essential process crucial to the economy, the infrastructure, and the people of the State of California.

Respectfully Submitted on behalf of the State Mining and Geology Board,

A handwritten signature in blue ink that reads "Jeffrey Schmidt". The signature is written in a cursive, flowing style.

Executive Officer
State Mining and Geology Board

TABLE OF CONTENTS

State Mining and Geology Board4

 The Board4

 Mission Statement.....4

 Membership.....4

 Committees5

 Staff.....5

 History5

 Key Stakeholders5

 Board Meetings5

 Statutory and Regulatory Authority5

 Surface Mining and Reclamation Act of 1975 (SMARA).....5

 Alquist-Priolo Earthquake Fault Zoning Act (APA).....6

 Seismic Hazards Mapping Act (SHMA).....6

Lead Agency Responsibilities6

 Surface Mine Inspections8

 Compliance and Enforcement8

 Surface Mining Ordinances9

 Annual Mine Fee Schedule.....9

Alquist-Priolo Act Responsibilities9

Seismic Hazard Zone Responsibilities9

Mineral Conservation and Reclamation Responsibilities10

 Classification and Designation Reports10

 Mineral Resource Management Plans (MRMPs)10

Rulemaking Responsibilities10

Board Outreach and Industry Involvement11

Ongoing Board Work.....11

Legislative Recommendations12

STATE MINING AND GEOLOGY BOARD

THE BOARD

The State Mining and Geology Board (Board) serves as a regulatory, policy, and hearing body representing the State's interests in geology, geologic and seismologic hazards, the conservation of mineral resources, and the reclamation of mined lands.

MISSION STATEMENT

The mission of the Board is to provide professional expertise and guidance and to represent the State's interest in the development, utilization, and conservation of mineral resources, the reclamation of mined lands, and the development and dissemination of geologic and seismic hazard information to protect the health and welfare of the people of California.

MEMBERSHIP

Pursuant to *Public Resources Code sections 660 and 662*, the Board is composed of nine members appointed by the Governor and confirmed by the State Senate for four-year staggered terms. Each Board member must have a specific professional background in one of the following:

- Geology
- Mining Engineering
- Environmental Protection
- Groundwater Hydrology and Rock Chemistry
- Local Government
- Landscape Architecture
- Mineral Resource Conservation
- Seismology
- Public Member

Today's Board consists of seven members with two vacancies to be filled.

SPECIALTY	MEMBER NAME	TERM
Non-specialized public member	Larry Sheingold, Chair	2018-2022
Mining Engineer with background and experience in mining in California	George Kenline, Vice-Chair	2021-2025
Mineral resource conservation, development, or utilization	Brian Anderson	2019-2023
Environmental protection or the study of ecosystems	Vacant	2021-2025
Registered Geologist with background and experience in mining geology	Janet Kappmeyer	2021-2025
Landscape Architect	Stephanie Landregan	2018-2022
Registered Geologist, Geophysicist, or Civil Engineer with background and experience in seismology	Zia Zafir	2020-2024
Groundwater hydrology, water quality, or rock chemistry	Marc Los Huertos	2020-2024
Representative of local government with background and experience in urban planning	Vacant	2019-2023

COMMITTEES

To enable the Board to meet its responsibilities more effectively, the following standing committees have been established to gather information and formulate recommendations on a variety of topics:

- Policy and Administration
- Geohazards and Mineral Conservation
- Surface Mining and Reclamation Act Compliance

STAFF

The day-to-day activities of the Board are managed by:

- Jeffrey Schmidt, Executive Officer
- Paul Fry, Senior Geologist
- Jocelyn Fernandez, Office Technician

HISTORY

The Board was established in 1885 as the Board of Trustees to oversee the activities of the State Mineralogist and the California Division of Mines and Geology (now the California Geological Survey). It is the second oldest Board in California.

KEY STAKEHOLDERS

Key stakeholders include:

- Lead agencies with jurisdictions over zoning ordinances, building codes, and general plan developments
- Geological, geophysical, and engineering consulting community
- Environmental and conservation groups
- Teachers and educational institutions
- Contractors and developers
- Surface mining industry
- Realtors, insurers, and homeowners
- Natural Resources Agency
- Department of Conservation
- California Geological Survey
- Division of Mine Reclamation
- Seismic Safety Commission
- Board for Professional Engineers, Land Surveyors and Geologists
- Various Water Boards
- Board of Forestry
- State Legislature

BOARD MEETINGS

Pursuant to *Public Resources Code Section 668*, the Board held regular business meetings or standing committee meetings nine times during the reporting period. All meetings were held virtually on Microsoft Teams and in this format, attendance soared to an average of forty participants versus our average of ten pre-pandemic. Among its activities, the Board received briefings from the Department of Conservation, the Division of Mine Reclamation, and the California Geological Survey.

STATUTORY AND REGULATORY AUTHORITY

The Board operates within the Department of Conservation under the Natural Resources Agency and is granted responsibilities and obligations under the following acts:

Surface Mining and Reclamation Act of 1975 (SMARA)

Pursuant to *Public Resources Code sections 2710* and its regulations at *14 California Code of Regulations Section 3500*, the Board manages a comprehensive surface mining and reclamation policy to assure that adverse environmental impacts are minimized and mined lands are reclaimed.

The Surface Mining and Reclamation Act also encourages the production, conservation, and protection of the State's mineral resources.

Alquist-Priolo Earthquake Fault Zoning Act (APA)

Pursuant to *Public Resources Code sections 2621 through 2630* and its regulations at *14 California Code Regulations Section 3600*, the Board is authorized to represent the State's interests in establishing guidelines and standards for geological and geophysical investigations and reports produced by the California Geological Survey, public sector agencies, and private practitioners. The Board is also authorized to develop specific criteria through regulations to be used by lead agencies to comply with provisions of the Act to protect the health, safety and welfare of the public.

Seismic Hazards Mapping Act (SHMA)

Pursuant to *Public Resources Code sections 2690 through 2699.6* and its regulations at *14 California Code of Regulations section 3720*, the Board is authorized to provide policy and guidance through regulations for a statewide seismic hazard mapping and technical advisory program to assist cities, counties, and state agencies in fulfilling their responsibilities for protecting the public health and safety from the effects of strong ground shaking, liquefaction or other ground failure, landslides and other seismic hazards caused by earthquakes, including tsunami and seiche threats.

LEAD AGENCY RESPONSIBILITIES

The primary entity responsible for the Surface Mining and Reclamation Act administration, compliance, and enforcement, is the local lead agency, generally, the city or county where the surface mining is taking place. The Surface Mining and Reclamation Act prescribes specific responsibilities and powers to the lead agency; therefore, the lead agency is responsible for assuring that all surface mine operations within its jurisdiction are in full compliance with these provisions. Specific duties of lead agencies which are charged with the primary administration and enforcement of the Surface Mining and Reclamation Act are to:

- Review and approve reclamation plans that meet the minimum requirements established by the Surface Mining and Reclamation Act and the Board's reclamation performance standards for surface mines
- Approve financial assurances, subject to annual review, that are sufficient to pay for the costs of full reclamation of the lands disturbed by surface mining operations according to the requirements of the approved reclamation plan
- Approve local permits for mining operations
- Conduct an annual inspection of each surface mine to confirm that the operation complies with the requirements of the Surface Mining and Reclamation Act and its approved reclamation plan, and to remedy the situation if the operation is not in compliance
- Issue Administrative Penalties to operators who do not come into compliance
- Close operations that do not attain compliance
- Maintain a surface mining ordinance that is in accordance with the Surface Mining and Reclamation Act
- Incorporate model resource management plans into their general plans if there are mineral "classified" or mineral "designated" lands within the lead agency's jurisdiction

Should a lead agency fail to bring or become incapable of bringing one or more surface mining operations into compliance, statute allows the Director of the Department of Conservation to commence enforcement at individual surface mining sites. The Surface Mining and Reclamation Act prescribes specific responsibilities and powers to the Director. The Department is also responsible for providing technical reviews of reclamation plans and financial assurances to lead agencies to ensure that the requirements of the Surface Mining and Reclamation Act have been addressed in the reclamation plans prior to their formal approval by the lead agency.

Under the Surface Mining and Reclamation Act, the Board is provided authority to hear appeals of enforcement actions taken by the Director against surface mine operators, as well as appeals of certain decisions made by a lead agency regarding reclamation plans and financial assurances. In addition, the Board is provided authority to exercise a lead agency's powers, in whole or in part with exception to local land use and other regulatory permitting, when a lead agency's actions are in violation of the statute, or if the lead agency defaults on its responsibilities and obligations. The Board also reviews lead agency ordinances that establish local permit and reclamation procedures to determine whether each ordinance is in accordance with State policy for reclamation of surface mining operations and for conservation of mineral resources.

The Surface Mining and Reclamation Act affects one hundred and sixteen jurisdictions comprised of sixty-one cities and fifty-five counties (excluding those directly overseen by the Board). The Board served as the lead agency under the Surface Mining and Reclamation Act for thirty-seven individual surface mining operations during the reporting period including:

- ❖ Twenty-three located within two counties (County of El Dorado and County of Yuba)
- ❖ Seven located within cities that do not have certified surface mining ordinances
- ❖ Seven marine sand mining operations located within the San Francisco Bay and bay delta areas

The following table lists the surface mines where the Board exercised lead agency authority:

SMGB SMARA LEAD AGENCY SURFACE MINES				
CA ID No.	Mine Name	Status	Primary Commodity	Local Lead Agency
91-07-0006	Richmond Quarry	Active	Recycled Aggregates	City of Richmond
91-09-0001	Bear Creek Quarry	Active	Aggregates	County of El Dorado
91-09-0002	Weber Creek Quarry	Closed – No Intent to Resume	Aggregates	County of El Dorado
91-09-0003	Diamond Quarry	Active	Aggregates	County of El Dorado
91-09-0004	Chile Bar Slate Mine	Active	Slate	County of El Dorado
91-09-0005	Cool Cave Quarry	Active	Aggregates	County of El Dorado
91-09-0006	Timm Mine	Active	Specimen Gold	County of El Dorado
91-09-0009	Somerset Sand Pit	Active	Sand	County of El Dorado
91-09-0010	Lawyer Pit	Closed – No Intent to Resume	Sand	County of El Dorado
91-09-0012	Snows Road Quarry	Active	Sand and Gravel	County of El Dorado
91-09-0015	Marin Quarry	Idle	Aggregates	County of El Dorado
91-27-0006	Lapis	Active	Beach Sand	City of Marina
91-33-0002	Avalon Mine	Active	Aggregates	City of Jurupa Valley
91-33-0003	Super Creek Quarry	Active	Decorative Stone	City of Desert Hot Springs
91-33-0029	Philadelphia Mine	Active - Reclamation	Recycled Aggregates	City of Jurupa Valley

91-33-0031	Garnet Pit	Active	Aggregates	City of Palm Springs
91-33-0062	Pyrite Quarry	Active	Aggregates	City of Jurupa Valley
91-38-0001	Alcatraz, Point Knox	Active	Marine Sand	San Francisco BCDC
91-38-0002	Point Knox South	Active	Marine Sand	San Francisco BCDC
91-38-0003	Point Knox Shoal	Active	Marine Sand	San Francisco BCDC
91-38-0004	Alcatraz South Shoal	Active	Marine Sand	San Francisco BCDC
91-38-0005	Hanson Suisun Bay	Active	Marine Sand	San Francisco BCDC
91-38-0007	Jerico Suisun Bay Shoal	Active	Marine Sand	San Francisco BCDC
91-38-0011	Morris Marine Mining	Active	Marine Oyster Shells	San Francisco BCDC
91-43-0003	Azevedo Quarry	Closed – No Intent to Resume	Aggregates	City of San Jose
91-56-0034	Santa Paula Materials	Active	Recycled Aggregates	City of Santa Paula
91-58-0001	Western Aggregates	Active	Aggregates	County of Yuba
91-58-0002	Knife River Hallwood	Active	Aggregates	County of Yuba
91-58-0003	Cal Sierra Development	Active	Placer Gold	County of Yuba
91-58-0004	Sperbeck Quarry	Idle	Aggregates	County of Yuba
91-58-0006	Teichert Hallwood	Active	Alluvial Sand and Gravel	County of Yuba
91-58-0007	Wheatland Clay	Active	Clay	County of Yuba
91-58-0011	Dantoni Pit	Idle	Aggregates	County of Yuba
91-58-0013	Parks Bar Quarry	Active	Aggregates	County of Yuba
91-58-0019	Teichert Marysville	Active	Aggregates	County of Yuba
91-58-0022	Long Bar Property	Active	Sand and Gravel	County of Yuba
91-58-0025	Simpson Lane	Idle	Sand	County of Yuba

Surface Mine Inspections

Board staff conducted 38 annual inspections, produced 38 annual inspection reports, and approved 38 Financial Assurance Cost Estimates for surface mining operations during the reporting period.

Compliance and Enforcement

Pursuant to Public Resources Code sections 2270, 2770, 2773.1, 2774.1, 2774.2, 2774.5, 2775, 2796.5 and California Code of Regulations sections 3696.5, 3810, and 3940, the Board may enforce the annual reporting requirements and other provisions of the Surface Mining and Reclamation Act.

No notices were issued and no fines were assessed during the reporting period.

Surface Mining Ordinances

Pursuant to *Public Resources Code section 2774.3*, the Board shall review lead agency ordinances which establish permit and reclamation procedures to determine whether each ordinance is in accordance with State policy and shall certify the ordinance as being in accordance with State policy if it adequately meets, or imposes requirements more stringent than, the California surface mining and reclamation policies and procedures established by the Board pursuant to this chapter.

No ordinances came in front of the Board during the reporting period.

Annual Mine Fee Schedule

Pursuant to *Public Resources Code section 2207(d)(1)* the Board shall impose an annual reporting fee on, and method for collecting annual fees from, each active and idle surface mining operation. *Public Resources Code section 2207(d)* also states that, starting in fiscal year 2020 – 2021, the maximum fee for any single mining operation may not exceed ten thousand dollars (\$10,000) annually and may not be less than one hundred dollars (\$100) annually. These amounts shall be adjusted for cost of living as measured by the California Consumer Price Index.

Pursuant to *Public Resources Code section 2207(d)(2)(A)* a schedule of fees shall be calculated on an equitable basis reflecting the size and type of the operation. The Board shall also consider total assessed value of the mining operation, the acreage disturbed by mining activities, and the acreage subject to the reclamation plan. Section 2207 further states that the fee schedule must provide for the collection of the amount specified in the Governor's proposed Budget for the Department of Conservation's costs in implementing *Section 2207* and the Surface Mining and Reclamation Act.

In addition, *section 2207(d) (3)* outlines the amount of revenue to be generated by the fee schedule. The total revenue generated by the reporting fees may not exceed and may be less than eight million dollars (\$8,000,000). This amount shall be adjusted for the cost of living each fiscal year. Cost of living adjustments are addressed in *California Code of Regulations section 3698* and allow for increases to help maintain adequate funding for the Surface Mining and Reclamation Act programs within the Department. The cost of living adjustment, or rate of inflation, is measured by the consumer price index.

Section 2207(d)(4)(A) also requires the reporting fee revenue be deposited in the Mine Reclamation Account for carrying out the provisions of the Surface Mining and Reclamation Act. These provisions include the classification and designation of areas with mineral resources of statewide or regional significance, reclamation plan and financial assurance reviews, surface mine inspections, and enforcement.

The annual fee was adjusted during the reporting period and met the requirements above.

ALQUIST-PRIOLO ACT RESPONSIBILITIES

Pursuant to *Public Resources Code section 2622(b)*, the State Geologist shall compile maps delineating the earthquake fault zones. Concerned jurisdictions and agencies are encouraged to submit all comments to the Board for review and consideration.

There were four Alquist-Priolo earthquake fault zone maps, which were released during the reporting period including those for the cities of Fillmore and San Diego, and the counties of San Diego and Ventura.

SEISMIC HAZARD ZONE RESPONSIBILITIES

Pursuant to *Public Resources Code section 2696(a) and (b)*, the State Geologist shall compile maps identifying seismic hazard zones, and upon completion, submit them to the Board.

The Board reviewed thirteen seismic hazard zone maps which were released during the period including those for the cities of Brisbane, Clayton, Colma, Concord, Daly City, Half Moon Bay,

Pacifica, Pittsburg, San Bruno, South San Francisco, and Walnut Creek, and the counties of Contra Costa and San Mateo.

MINERAL CONSERVATION AND RECLAMATION RESPONSIBILITIES

As California's population continues to grow, its communities face increasingly difficult land use decisions. The production of mineral resources necessary to support the expanding population must compete with other land uses such as agriculture, timber production, urban development, renewable energy, recreation, and conservation. The rapid growth of many communities and the incompatibility of mining with most other land uses often results in conflicts within those communities. Often, the resource is needed by the very use which threatens it. For example, construction grade aggregate deposits, which are necessary for construction and repair of roads, housing, and commercial development, often are built over before the resource can be extracted.

To address this issue, the Surface Mining and Reclamation Act provides a method by which mineral lands may be "Classified" by the State Geologist and "Designated" by the Board. These Classification and Designation processes are methods by which an inventory of the State's most valuable mineral deposits are designated as significant resources for local communities to consider in their land use decision making.

Classification and Designation Reports

Pursuant to *Public Resources Code section 2790*, after receipt of mineral information from the State Geologist pursuant to *section 2761 (d)*, the Board may, by regulation adopted after a public hearing, designate specific geographic areas of the state as areas of statewide or regional significance and specify the boundaries of the geographic areas.

There were two mineral land classification reports completed during the reporting period including concrete aggregate resources of Merced County and construction aggregate resources in the Monterey Bay production-consumption region.

Mineral Resource Management Plans

Pursuant to *Public Resources Code section 2762*, a lead agency shall, in accordance with State policy, establish mineral resource management policies to be incorporated in its general plan to recognize mineral information classified by the State Geologist and transmitted by the Board, assist in the management of land use that affects access to areas of statewide and regional significance and emphasize the conservation and development of identified mineral deposits.

There were no mineral resource plans submitted during the reporting period.

RULEMAKING RESPONSIBILITIES

Pursuant to *Public Resources Code (PRC) Section 2755*, the Board has statutory authority to adopt, amend, or repeal regulations that establish State policy for the reclamation of mined lands within California. Currently, the Board is involved in rulemaking activities to update regulations related to comprehensive changes to the Surface Mining and Reclamation Act from the signing of AB 1142 and SB 209 in 2016. Additionally, the Board is involved in rulemaking activities to draft new regulations addressing the extensive threat to California's coastal communities from tsunamis, consistent with the requirements of the Seismic Hazards Mapping Act.

The Board has also been very active with the Tsunami Technical Advisory Panel (TsuTAP). The TsuTAP has been tasked to help develop policy and produce maps for tsunami preparedness and one of our members currently sits on the panel.

To streamline this process, the regulatory sections have been divided into specific packages and are being addressed individually by the Board to ensure they align with statutory requirements along with the legal requirements of the Office of Administrative Law.

The following rulemaking packages were completed and enacted into law during the reporting period:

Number	Package Focus and Related Public Resource Code
4b.	Revise Reclamation Plan Appeals Process (PRC §2770(e)-(g)).
7.	Revise Appeals of Order to Comply (OTC) with SMARA Process (PRC §2774.1).
8.	Revise Forfeiture of Financial Assurance Mechanisms Process (PRC §2773.1(b)).
11.	Modification and Release of Financial Assurance Mechanisms Process (PRC §2773).

The following rulemaking package is currently being worked on and should be completed by the end of quarter two, 2022.

Number	Package Focus and Related Public Resource Code
1.	Revise Tsunami Regulations within Seismic Hazards Mapping Act Regulations (PRC §2692.1)

BOARD OUTREACH AND INDUSTRY INVOLVEMENT

During the reporting period, the Board participated in public outreach programs as follows:

- Worked with the Division of Mine Reclamation to help conduct two surface mine inspection workshops for operators and lead agencies throughout the State. The training included updating participants about both the Board and reforms made to the Surface Mining and Reclamation Act.
- The Board held three public hearings on earthquake fault zone maps, seismic hazard zone maps, and mineral land classification reports to gather public comments.
- Board members participated in outside committees such as the Tsunami Technical Advisory Panel and the California Geological Survey Audit Committee.
- As part of the rulemaking process, the Board sought public comment and incorporated many of the suggestions provided by stakeholders and the public into final recommendations.
- As part of its lead agency responsibilities, the Board reached out to mine operators to discuss the Surface Mining and Reclamation Act reforms and changes to related statutes and regulations.

ONGOING BOARD WORK

Pursuant to *Public Resources Code Section 2717*, the Board is required to report to the Governor and Legislature and, on an annual basis, offer legislative recommendations for consideration regarding the Surface Mining and Reclamation Act.

The Board will continue to execute the extensive reforms mandated by AB 1142 and SB 209 as well as continue to offer suggestions to amend and/or clarify statutes and regulations pertinent to its governing acts.

In addition to the rulemaking packages currently being completed, the Board anticipates finishing its work on the following statutes and regulations by the end of the calendar year 2022:

- Review and offer minor “clean-up” language changes pursuant to Section 100 of the California Code of Regulations (*California Code of Regulations Section 100*).
- Calculate Cost of Living Adjustment, Annual Board Administrative Fee, et al. (*Public Resources Code Sections 2710, 727.1, and 2735*)
- Continue EFZA Rulemaking (*Public Resources Code Sections 2621 – 2630 and California Code of Regulations Section 3600*)
- Create Corporate Bonding / Financial Tests (*Public Resources Code Section 2773.1.5*)

LEGISLATIVE RECOMMENDATIONS

SMARA includes several exemptions for construction, farming, timber, and flood control purposes, among others. One of the exemptions in SMARA allows the Board to exempt certain surface mining operations that are of an infrequent nature and that involve only minor surface disturbances but currently there is no specific exemption in place for habitat restoration projects that seek to mitigate damage caused by legacy gold mining.

The Board recommends that the State legislature amend *Public Resources Code Section 2714* and provide guidance in updating *California Code of Regulations section 3505* to allow SMARA exemptions for habitat restoration projects that result in one-time removal of sediment from rivers, lakes, and reservoirs provided the project is (a) sponsored by a public agency and/or a not-for-profit organization, (b) has all required documents and permits and, (c) is fully funded. To this end, the Board will develop revised regulation language for exemptions to more clearly apply to restoration projects for damage caused by legacy mines and submit a proposal for review and approval.