

Olaf Bleck

From: Tod Herman [Tod.Herman@co.nevada.ca.us]
Sent: Wednesday, March 20, 2013 1:19 PM
To: 'Carroll, Timothy'; Olaf Bleck
Cc: James Barnes
Subject: Flow Chart for Submitting the Required Applications for the Bunker Hill Mine

Folks:

As a follow-up from our meeting yesterday concerning the proposal to operate a surface mine on the Eureka Placer Claim #4 site (a.k.a. Bunker Hill) located on APN 38-390-02 (a parcel owned by BLM) the following is a proposed flow-chart for the filing and processing of the various land use (mining) applications.

Step 1. Operator is encouraged to hire his own acceptable consultants to prepare the following:

- The archaeological/cultural resource report
- A biological site assessment (using a biologist from the Nevada County Pre-Qualified Biological Consultant list - <http://www.mynvadacounty.com/nc/cda/planning/docs/Planning%20Resource%20Documents/Pre-Qualified%20Biologist%20List%20Dec.%202012.pdf>)
- SWPPP (as required by the California Regional Water Quality Control Board)
- Revegetation Plan (may also be prepared by the biologist noted above)
- Geotechnical slope analysis for proposed final slope configurations
- Depth to bedrock analysis (may be part of the work associated with the geotechnical study)
- Financial Assurance Cost Estimate (FACE) draft proposal to include reclamation costs for year one of the project*

Step 2. Operator prepares their proposed Mining Plan application (Plan of Operations using the BLM format) and Reclamation Plan (using the Nevada County required format). Said documents shall be supplemented from the technical information generated in Step 1. It is noted that the proposed Reclamation Plan will need to not only be consistent with the requirements of the Surface Mining and Reclamation Act (SMARA) but also with the BLM's Reclamation Performance Standards (citation to be provided by BLM).

Step 3. BLM may review the proposed Plan of Operations and provide any initial response(s) as to any potential issues with the proposed mining plan, or whether any additional technical information is required for the Plan of Operations. (This is at BLM's option, but appears to be somewhat necessary prior to the formal submittal of the Reclamation Plan document to make sure the mining plan is accurate and potentially acceptable.)

Step 4. Formal Application Submittal. Operator files the Plan of Operations with BLM (with a copy provided to the Nevada County Planning Department), and files the Reclamation Plan and Rezone applications with Nevada County (with a copy provided to BLM).

Step 5. Planning will review the proposed Reclamation Plan for the required content before distributing the application to the various agencies for review and comment. Under the specific requirements of the Office of Mine Reclamation (OMR), Nevada County is required to submit the Reclamation Plan for their review along with a letter indicating that the County is certifying the document to be complete with the requirements of Article 9 of Chapter 8 of Division 2 of Title 14 as well as the Nevada County Zoning Ordinance Reclamation Standards set forth in Section L-II 3.22.H. If said document does conform to those requirements, then it is routed to OMR for their review. Upon arrival at OMR, their Reclamation Unit will have a full 30 days to review the document for technical adequacy. This typically results in a specific request for corrections or clarifications to the various components. (It is also not uncommon for OMR to request additional time for this review.)

Step 6. When the various agency comments on the Reclamation Plan arrive (we anticipate technical comments from OMR, the Regional Water Quality Control Board, the Department of Fish and Wildlife, and the Northern Sierra Air Quality Management District) the Planning Department will provide copies of the technical comments to the applicant. At this point, the proposed Reclamation Plan document will likely require corrections or updates to address any raised concerns.

Step 7. After revising the Reclamation Plan, new copies are submitted to BLM and Nevada County. The Planning Department will then review the proposed corrections and send a written response (including the revised Reclamation Plan) back to OMR for their (ideally final) review.

Step 8. If/when OMR replies with a “No Further Comment” letter, then the environmental document can be completed (as we will then have the appropriate recommended mitigation for all of the potential adverse issues associated with the final acceptable Mining Plan and Reclamation Plan documents). Planning and BLM may want to coordinate with a single environmental document NEPA/CEQA that covers both agency’s actions, or each agency could prepare their own (in the event BLM is able to approve their Permit to Operate before this time).

Step 9A. Nevada County will require that the Reclamation Plan is considered at a public hearing before the Nevada County Planning Commission. At that hearing, the Planning Commission will consider the proposed environmental document, then the Reclamation Plan, and then make a recommendation on the Rezone. Under Nevada County’s General Plan Policy requirements, surface mining is only permitted on those parcels with the Mineral Extraction (ME) combining district. **Note: As this zoning will apply to property owned by BLM, they will need to concur with the rezone application proposal.**

Step 9B. After the Planning Commission makes their recommendation on the Rezone, only that portion of the application will then go before the Nevada County Board of Supervisors for consideration (approximately 30 days later). However, it is important to also keep in mind that any decision of the Planning Commission is appealable to the Board of Supervisors. So if there is strong opposition to the Reclamation Plan from the public or a special interest group, or if the Planning Commission denies your request, you may have to go through the appeal process. (Under that scenario, the Rezone would likely be considered at the same time as the appeal.)

Step 10. Once both Permit/Reclamation Plan documents are approved by the respective agencies, then the Financial Assurance Documents will need to be posted if these two approvals were on the proposed mining plan and reclamation plan proposals.

*** Note:** OMR requires a two-step process for the required Financial Assurances. Step 1 is to have the FACE document (referenced above) reviewed and approved by OMR (this requires a 45-day review and should be included as part of the first draft Reclamation Plan). Step 2 is the actual Financial Assurance Mechanism (FAM) which, depending upon the type of bond/guarantee proposed, requires a special State-approved format. This document needs to be made payable to all three agencies: BLM, Nevada County, and the California Department of Conservation (OMR’s parent agency). Mining cannot begin until OMR accepts the FAM document (which usually takes about a week after the FACE is approved). This FACE/FAM process needs to be done each year the mine is in operation (and even during the periods if the mine goes into an Idle status after it initially started).

Please feel free to review and make any comments on this flow chart process. This is just the process as I see it from the County’s side.

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