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MEN	MBERS PR	ESENT: Cha	air Dunc	an, Commis	ssioners Poul	ter, Aguilar	, James and	Jensen
MEN	MBERS AB	SENT: None	<b>).</b>					
Plann		<b>NT:</b> Planning Hankins; C	-				•	-
PUB]	LIC HEAR	RINGS:						
1.	. New Verd	de Mines, LL	C – U14	009, MGT	14-015, EIS1	14-012	Page 2, L	ine 49
STA	NDING OR	RDERS: Salı	ate to the	e Flag - Rol	l Call - Corre	ections to A	genda.	
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taken		NG TO OKD	EK: 11	ie meeting	was called to	order at 1.	50 P.WI. K	on Can wa
СНА	NGES TO	AGENDA:	No chan	ges.				
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Comi withing be tal	mission on n the subjec	MENT: Men items not appet matter juris otherwise aut	pearing diction	on the agenof the Plant	nda which ar ning Commis	e of interession, provi	st to the pudded that no	blic and ar action sha
COM	<b>MISSION</b>	BUSINESS:	None.					

**PUBLIC HEARING:** 

**U14-009, MGT14-015, EIS14-012**: A Use Permit request by New Verde Mines, LLC for the construction and operation of a groundwater collection, conveyance, and treatment system to manage water draining from historical mine features; and a Management Plan to address potential impacts on riparian habitat and wetland habitat near the conveyance and treatment system. **LOCATION:** 12509 Allison Ranch Road, Grass Valley 95949 **ASSESSOR'S PARCEL NO's.:** 22-120-28, -35; 22-160-27; 29-290-26; 29-350-03, -04, - 16. **RECOMMENDED ENVIRONENTAL DETERMINATION:** Mitigated Negative Declaration. **PLANNER:** Jessica Hankins, Senior Planner

Jessica Hankins, Senior Planner, outlined the project with a Power Point presentation. She began her presentation with a brief description of the existing setting, zoning and background of the project before explaining the project details. The project is located south of the City of Grass Valley, generally along Allison Ranch Road which is on the western extent, with Wolf Creek being on the eastern extent of the project. The study area consisted of the entire 760-acre site. However the disturbance area would only be approximately 8.3-acres.

Planner Hankins displayed the Zoning, Vicinity and Notice Map. She gave a detailed explanation of the CEQA noticing undertaken for the project. In the northern area of the project, notices were sent to property owners within 500' of the vicinity of the Drew Tunnel pump station; additionally, notification was sent to owners generally within 500' from the collection/conveyance system, though she noted that some additional parcels were added if it was felt that the parcels had access to Allison Ranch Road and might be affected by the project construction or be potentially affected by the operational components; beyond the southern extent of the property, notification was extended to properties a further ½ mile to include the residents that have access to Allison Ranch Road; and the notification was further expanded to the east to capture larger subdivisions such as the entire Carriage House subdivision.

 Planner Hankins stated that the Drew Tunnel pump station is proposed within City of Grass Valley limits and is zoned Public. The collection, conveyance and treatment pond areas are zoned IDR and are within the unincorporated County. The small construction staging area is located within the County and is zoned RA-1.5. She explained that uses in the northern area of the project are public and commercial; southerly are rural residential with some agricultural uses as well.

Planner Hankins continued with a discussion on the background of the property. She stated that the North Star property is the former site of the Massachusetts Hill Mine, New York Hill Mine and North Star hard rock gold mines which created an extensive network of shafts, tunnels, and stopes and other similar types of features. The main tunnels often drained to nearby surface waters to aid in mine dewatering, as was the case with the Drew Tunnel cross-cut. Following closure of the mines when the groundwater was no longer being pumped out, the groundwater levels recovered resulting in groundwater draining to surface waters. As the water travels through these tunnels it picks up naturally occurring heavy metals, in the case of this project, iron, manganese and arsenic.

She referenced the displayed slide and pointed out that the Drew Tunnel cross-cut running from North Star, under Allison Ranch Road to the City's Wastewater Treatment Plan (WWTP) where the portal opens just above Wolf Creek.

Planner Hankins explained that in 2000 the Drew Tunnel portal was exposed at the City's WWTP during improvements by the City to the WWTP, increasing the release of mine drainage to Wolf Creek. The Regional Water Quality Control Board (RWQCB) then required the City to route the water coming out of the Drew Tunnel to their WWTP for treatment before discharging it to Wolf Creek because of elevated levels of iron and manganese. In following years the RWQCB determined that Newmont, as successor to Empire Star Mines who had owned and operated portions of the North Star Mine, was responsible. She explained that ultimately a settlement agreement was reached between the City and Newmont that required Newmont to treat the Drew Tunnel water separately. In 2011 Newmont purchased the 760-acre North Star property to gain control over the property and implement the project. Approximately one year ago a temporary water treatment system was installed on City property. According to the agreement Newmont cannot keep the temporary facility on City property so part of the proposed project is to remove the temporary facility and construct a permanent system off City property.

Also in 2014 the Water Board issued a Cleanup and Abatement Order for additional features, not just the Drew Tunnel at the north end, but also two mining features, the adit, and pipe culvert, as well as a spring. The spring is hydrologically connected to the adit and pipe culvert and they are all being fed by the Snyder Shaft which comes in off of the North Star property. These all need to be treated for iron, manganese and arsenic. According to the Order, Newmont must complete construction by December 31, 2015.

Planner Hankins displayed a slide of the proposed project area and pointed out Allison Ranch Road, Wolf Creek, Pine Creek Shopping Center and the City for orientation purposes. She also noted the location of the pipeline and the pond area.

Planner Hankins explained the three main components of the project. The first component is collection of the water. The water would be collected at two points, first at Drew Tunnel. Before the water reaches Wolf Creek, it would be pumped out of the tunnel and conveyed down a pipeline running down the side of Allison Ranch Road. The second pump station would pump water from the Snyder Shaft before that water reaches the mine adit, pipe culvert and spring. A pipeline would then convey the water through another pipeline along an existing dirt road. Both pipelines would be buried and would converge, conveying to the first treatment pond, then to the sedimentation pond, and then the wetland pond and limestone beds. Lastly it would be discharged into a seasonal tributary of Wolf Creek, ultimately ending up in Wolf Creek.

Planner Hankins explained that surface water monitoring conditions would be written and enforced by RWQCB. RWQCB does not write a permit until the project has all the appropriate land use permits. However, the temporary Drew Tunnel permit requires monthly water quality monitoring. Staff expects the new permit to have similar requirements.

She explained that Newmont and the successors to its company, if any, will be responsible for the project in perpetuity and that, it doesn't run with the land, but with the company. As long as

there is water getting into the tunnels it would continue to pick up the naturally occurring elements and would likely continue to exceed maximum contaminant levels. If the project were to be constructed it would operate in perpetuity.

Planner Hankins provided details for the sedimentation pond. She presented a photo of the existing sedimentation pond for the Magenta Drain at Empire Mine. She noted that the treatment areas at Empire Mine are very similar to what is proposed by the Newmont project, though not in sizing. She explained that the sedimentation pond is proposed to be 2.3-acres, double-lined with a heavy duty liner. It would have a leak detection system between the two liners that would automatically and immediately notify operators. She explained that the passive treatment technology would use both physical and biological reactions to remove heavy metals through oxidation and precipitation. There would be no chemical inputs to the system, no electrical at the ponds and she stated that the passive treatment technology requires very little maintenance. Maintenance would include sediment removal every ten or so years. The removed sediment would be dried, characterized for hazardous materials, and disposed of at an appropriate waste facility.

Planner Hankins stated that the water would be conveyed from the sedimentation pond to the wetland pond. The wetlands pond is proposed to have 2.5-acres of surface water. The pond would utilize aerobic wetland treatment to facilitate the natural oxidation and precipitation process, removing more of the heavy metals. It is proposed to be lined with a single 60-mil HDPE liner with two feet of growing material (soil) on top of the liner, and planted heavily with native wetland species. Water would flow from the wetlands pond to the approximately 1/3-acre limestone beds.

Planner Hankins moved on to project impact analysis. She discussed the viewshed analysis that was completed as part of the project land use review. She explained that there would be no impact at the pump stations as they are proposed to be buried and thus not visible. Also, the pipelines and utilities will be buried. She explained that the wetland pond would be a very natural looking feature that would blend in with the vegetation of the surrounding area and thus was not considered a significant impact. The sedimentation pond and staging area was looked at more closely. The sedimentation pond would be in close proximity to residents on Mote Lane, Homeward Lane, and Allison Ranch Road, and would be visible to travelers on these roads.

She explained that the residence that would be impacted the most would be 10675 Mote Lane which would be 150-feet from the home to the sedimentation pond, 30-feet from the property line to the edge of the pond, and 40-50 feet from the staging area to the edge of the property line.

She presented a slide of the proposed landscaping plan prepared by licensed Landscape Architect Jo McProud. The approach of the plan is to leave existing vegetation in place where possible and to replant vegetation to bolster the visual buffer. She pointed out areas on the plan that depicted existing trees and understory planned to remain. She pointed out tree and plant symbols shown on the plan that depict proposed vegetation that would be planted, as developed with a biologist, which included cedars, coffeeberry and California bay laurel which are all self-supporting and highly adaptable to local site conditions. She noted an area of planned reseeding that would include native plant species, such as grasses, forbs, black oaks and ponderosa pines.

She also noted that there were areas where several small fires had happened after the Initial Study had been prepared that would also require reseeding.

Planner Hankins outlined the project analysis of potential geologic hazards. She stated that there are quite a few geologic hazards on the property due to the past mining activities, though they are all mitigated in the MND. She explained that there is a history of landslide activity near Allison Ranch Road so the plan would take the pipeline above Allison Ranch Road in the vicinity of the existing bypass road that is considered more stable in terms of slopes. A mitigation measure is provided to ensure the pipeline in that area is designed to accommodate movement that may occur later. Another mitigation measure would require project facilities be designed to maintain a minimum 50-foot buffer from steepened slopes, areas of subsidence and seepage as well as any of the shallow mine remnants.

Planner Hankins noted public concerns regarding the ponds relative to mosquito breeding habitat. She stated that Planning had worked closely with the Environmental Health Department's Vector Control Division to determine what those impacts might be. They had one record of a visit to the Empire Mine Magenta Ponds which had found no evidence of mosquito breeding. They returned to the Magenta Ponds given that they are similar in design to what the project proposes and took 25 plus samples. One sample taken from the wetland pond contained one mosquito larva, and none were found in the sedimentation pond or limestone beds. While only one larva was found, it does not preclude there being more on a different site. Vector Control indicated that a different site could have different conditions and/or it could be time-of-year dependent. A mitigation measure is proposed that would require monthly monitoring by Vector Control for the first two summers of pond operation. If they do find there is an issue with mosquito breeding then that site would be added to their list of sites for continued monitoring.

Planner Hankins provided details regarding the project review relative to potential safety hazards. She stated that the sedimentation pond will be fenced. The wetland pond is 4 to 6-inches deep and heavily vegetated, and is located further inside the property with no homes in the immediate vicinity of the pond, so no fence was deemed necessary. The limestone beds only would carry about one inch of water so were not felt to present a potential safety hazard.

Planner Hankins outlined the project analysis on noise impacts. The two types of noise generation noted were operational noise and construction noise. Typical noise impacts from ground disturbance activities would be expected, and standard noise mitigation measures are proposed to mitigate those noises. Operational noise would come from the pump stations. There would be no noise at the ponds, no moving parts at the ponds, and no electrical at the ponds. At the pump stations there would be the pumps and standby generators. The Drew Tunnel pump station is located below the grade of the road on the Wastewater Treatment Plant site where there are high ambient noise levels from both traffic and plant operation. Pump noises would be masked by these existing noises. The North Star pump station is proposed to be approximately 500-feet from the nearest residence and consists of a submersible pump, meaning it would be at least 70-feet underground in the water. The only noise would be from water flowing in aboveground piping for a short distance. The standby generator would exercise 15 minutes biweekly only during regular business hours: Monday through Friday 8:00 to 5:00.

Planner Hankins outlined the project analysis of potential traffic impacts. A Traffic Control Management Plan is proposed as part of the mitigation. The Plan would require minimum standards for lane closures, hours, flaggers, notification, etc. This is standard mitigation used by Nevada County Department of Public Works (DPW) for public road and utility projects which would require review and approval by DPW.

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Planner Hankins moved on to the project analysis relative to biotic resources. Several potential impacts to special status and migratory bird species were noted during the biological resources portion of the project analysis. Since the time the Initial Study was distributed, several surveys were already conducted. Surveys for the Western Pond Turtle revealed their presence and mitigation is proposed to provide a biological monitor for Western Pond Turtle when there is construction in the area where it was found. Potential impacts to both the California red-legged frog and the Foothill yellow-legged frog were noted in the Initial Study but Planner Hankins noted that the project biologist had since completed protocol-level surveys which had been submitted to USFWS with a finding of no evidence of their presence. She mentioned a Staff Memo that was provided to the Commissioners with some changes to the mitigations for the nesting raptors and migratory birds. These changes were suggested by the project biologist. The changes would allow for clearing and grubbing activities up to January 1<sup>st</sup> as long as there are measures in place for erosion control, because migratory birds are not present here during that time period. Potential impacts to migratory birds would be mitigated by Mitigation Measure 4F which would require preconstruction nesting surveys and avoidance. Also, the requirement for 401 or 404 permits was removed because no fill to wetlands is proposed and they would not apply. There would be no direct impacts to wetlands; however, there would be the potential for indirect impacts because it could possibly be drained, so proposed mitigation would require purchase of wetland credits for under 1/10 of an acre. Mitigation is also proposed for disturbance within 100-feet of the waterway setback.

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She outlined alternatives that were considered as part of the project analysis in response to the many public comments asking why the project couldn't be placed somewhere else on the 760acre property. Staff looked very carefully at the issue and had many conversations with the applicant about why the particular site was selected. She referenced Attachment 10 of the Staff Report. She noted that the pond location was selected after technical studies were completed to ensure that all the sensitive resources and site constraints could be mapped in order to avoid those features where possible. Many of the project sites have extensive underground mining features and surface expressions, steep and/or unstable slopes, wetland areas, and another area which is clear would need to be accessed from private property. The entire western area of the property is at a higher elevation and use of it would result in higher energy demands, meaning more mechanical components and a greater risk of mechanical failure. The eastern side of Allison Ranch Road is subject to a conservation easement. The proposed site has fairly level topography allowing for greater constructability and access, avoids the sensitive resources and constraints and allows for the single pumps stations, resulting in lower electrical demands, less noise, less resource consumption, lower greenhouse gases considering that the project would operate in perpetuity. The alternative that was chosen is the best location because of the above.

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Commissioner Jensen asked if the alternatives took into account a more active system such as a treatment plant that would take less area.

Planner Hankins replied that this was reviewed in the Initial Study. An active treatment system would require more chemical inputs, more maintenance and supervision and more mechanical parts which could present a greater risk of failure. Staff concluded that the passive treatment system provided the better, environmentally sensitive alternative.

Commissioner Jensen asked if Staff recommended a passive system or if that was what was originally proposed.

Planner Hankins replied that a passive treatment system was what was submitted.

Planner Hankins outlined the environmental review process. She stated that the Initial Study was prepared, and then circulated for 30-days, it was routed through the State Clearinghouse, two agency comments and 17 public comments were received. The Initial Study identified the typical construction related impacts which are mitigated to less than significant levels with standard mitigation measures. The Initial Study identified many unique project impacts that were also mitigated. The Alternatives Analysis done as part of the process goes beyond the normal scope of an Initial Study. She also noted the preparation of the proposed Mitigation and Monitoring Plan which is Attachment 2 in the Staff Report.

Planner Hankins noted that changes were made to the Initial Study after the initial distribution. This included a change to the project description. The original proposal included slats in the proposed pond fencing. Staff felt that slats would potentially draw more attention to the pond so Staff asked the applicant to remove them from the description. The Initial Study and landscaping plan were both updated based on fires that occurred after the IS was distributed. Analysis was added to noise, flooding and groundwater impact discussions; and clarifications were added to some of the biological measures.

Planner Hankins stated that the City is deferring to the County for land use permits in the northern area of the site. She added that the pump station is allowed as a quasi-public use and that quasi-public uses are allowed within the IDR district with a Use Permit and stated that the project is considered a quasi-public use. Temporary construction staging areas are allowed within the RA district with approval of a Use Permit. She also stated that the project meets site development standards with the Management Plan which addresses the wetland encroachment.

She concluded that with the amended conditions and memo provided to them, Staff recommended that the Commissioners adopt the revised Mitigated Negative Declaration and approve the Management Plan and Use Permit.

Chair Duncan thanked Planner Hankins and asked her fellow commissioners if they had any questions for Staff.

319 Commissioner James asked Ms. Hankins what the boundaries to Newmont are.

Planner Hankins presented a slide of the zoning map and explained roughly the location of the property boundaries.

Commissioner Aguilar asked Planner Hankins what would happen if Newmont goes bankrupt, or if the company is sold.

Planner Hankins explained that the responsibility for the cleanup goes with the company, not the land, so if the company did not exist anymore and there were no successors, it would most likely become a US EPA site.

Commissioner Aguilar asked where the water for irrigation would come from.

Planner Hankins replied that there would be a tank with above-ground, temporary piping that would be removed after plant establishment.

Commissioner Aguilar asked what would happen if Vector Control found mosquito larvae.

Planner Hankins said that the mitigation measure specifies what would happen, and noted that Staff would like to avoid the addition of chemicals if possible. As a first option, Vector Control would look at mosquito fish. Mosquito fish are not allowed to be released in areas where they could get into waterways so if their use was not acceptable, Vector Control would look at the design of the ponds at the location of where larvae would be found. If for instance, the bank or sides were not steep enough to prevent the habitat, then they would be re-graded. If that doesn't work then the next step would be to use BTi.

Commissioner Aguilar asked for clarification on the subject of something being drained then cleaned of heavy metals.

Planner Hankins replied that the sedimentation pond would be cleaned about every 10 years. When sedimentation built up, which is not anticipated to be more often than 10 or so years, it would be dredged, placed in geo-tubes, and then it would be dried and characterized for hazardous qualities before being removed to a waste facility.

Commissioner Poulter asked about the discussion in the Staff Report relative to the previous Use
Permit and Reclamation Plan. It states that Staff is recommending the owner provide a letter.
She wondered if that was a recommendation or a requirement.

Planner Hankins clarified that all the conditions in the Staff Report are *recommendations* to the Planning Commission but if approved the condition would be a requirement of the applicant.

Chair Duncan asked about the statement in the Staff Report "...any successors in interest of the property would be responsible..." She was unclear if that just pertained to the physical improvements.

Planner Hankins explained that the statement was incorrect and was revised as part of the memo that was provided to the Commissioners.

Chair Duncan noted that the landscaping plan called for native plants which are typically slower growing. She understood that many of the public comments were about the visibility of the project. She asked if a requirement could be added to plant some sacrifice trees such as cottonwoods or another faster growing species to provide a quick buffer then taken out later when the natives grew in.

Planner Hankins acknowledged that it was a good idea and thought that perhaps the landscape architect could address that.

Chair Duncan noted that in the Staff Report it stated that it was recommended that the applicant fall timber outside of nesting times. She asked for clarification as to whether the condition was a hard requirement or a suggestion.

Planner Hankins replied that nesting time is January 1 through August 15 and it would be ideal if they could try to avoid nesting time. However, as long as sedimentation controls are in place and nesting surveys had been performed then they could proceed with the clearing and grubbing outside the nesting season. She stated that it is a preference that is expressed in the Mitigation Measure to avoid nesting time. She read the measure and stated that it was written to state "if feasible, and where possible the applicant shall conduct tree removal and initial grading between August 15 and October 15 to avoid the nesting season and the wet season". However, understanding that it isn't always possible to do so, there are built in provisions that allow it to happen outside of that timeframe.

Chair Duncan asked when Newmont was required to complete the project.

Planner Hankins stated that it was the end of this year and confirmed that construction occurring from August 15 through December 31 would avoid the nesting season.

Chair Duncan thanked Planner Hankins and commended her on her presentation and package preparation. She invited the applicant to present their materials.

Mr. Bill Lyle, of Newmont and New Verde Mines, LLC introduced himself as project representative. He noted that Planner Hankins did a very good job presenting the proposal. He stated that various technical consultants were present and available to answer questions. He added that the project was a long process and that the application would fulfill the agreements and satisfies the commitments made with the City and RWQCB. He introduced Sherm Worthington and explained that he was the technical designer of the system and would be able to answer questions of that nature.

Chair Duncan asked what other team representatives were present.

Mr. Lyle asked the various project consultants to stand and state their name and specialty.

Ms. Rebecca Bilodeau - permitting process.

Mr. Adrian Juncosa - project biologist.

Mr. Ron Dundas - KPFF Consulting Engineers.

Ms. Josephine McProud – Landscape Architect. She clarified that she worked on the screening aspects of the project, not the planting of the wetland ponds.

Chair Duncan asked Ms. McProud to sit at the podium.

Mr. Sherm Worthington - Principal Engineer of Worthington-Miller.

Eric Daniels - Operation Manager for Newmont.

Chair Duncan stated that the visibility issue is a concern and noted that the Empire Mine ponds were not a great example of what could be done to mitigate the concern. She acknowledged that natives are always preferable but asked if there was a quicker remedy that could be removed later once the natives had grown enough to limit visibility.

Ms. McProud agreed that there were lots of possibilities. She stated that she worked with Mr. Juncosa to develop a list of plants that would thrive in perpetuity without permanent irrigation. She also used evergreen plant material so it would screen the view year round. She stated that a condition could be added that non-native deciduous plants could be added then removed later upon establishment of the natives.

Mr. Juncosa stated that he collaborated with Ms. McProud and they developed the plan together. He explained that incense cedars are a fast growing native species that would be as fast, or faster, than other non-native choices. He was uncertain if a non-native species could be found that would grow faster in that setting. He noted that cottonwoods would not provide a better screen than what is proposed because they require full sun and ample water at all times in order to grow quickly. He couldn't think of anything offhand that would improve the screening in that area over the proposed incense cedar.

Chair Duncan asked if it was due to the soil conditions and lack of water.

Ms. McProud mentioned that lack of sunlight is a factor because of the existing pines that are between the ponds and the road that would shade and inhibit growth. She mentioned the earlier proposal of including slats in the fence, but agreed that the slats were more objectionable than seeing through to sky and water. She didn't want to suggest something that she didn't feel would meet the objectives.

Chair Duncan asked her to think about it during the hearing.

Commissioner Aguilar stated that he spends quite a bit of time at the Empire Mine for a variety of outdoor activities. He felt that the ponds there could have been screened much better. He noted that while it doesn't appear that there is movement in the water, there are never mosquitos there. He thought the lack of mosquitos was because of the sun; that the larvae didn't hatch there.

Mr. Juncosa stated that to the best of his understanding mosquito larvae don't care whether there is sun or not, but if there is stagnant, standing water for any amount of time there will likely be mosquito activity. He acknowledged that the stated understanding was based on his time doing such things as delineating wetlands, not as an insect specialist. If there is standing water where he is working and it is the right time of year, he is besieged whether the water is in the sun or not.

Commissioner Poulter asked what size trees are proposed to be planted.

Ms. McProud stated that most of them are proposed to be 5-gallon size because larger trees are resistant to adapting. One-gallon trees would be too small, but 5-gallon would have a bit of presence to begin with and would adapt.

Commissioner Poulter suggested that incense grow very quickly.

Ms. McProud agreed that given water, they are fast growers.

Commissioner James stated that he was still struggling with what would happen if Newmont no longer existed.

Planner Hankins replied that it may become a superfund site.

Commissioner James asked if a deed restriction could be placed on the property requiring a subsequent owner be responsible for maintaining and operating the system

Planner Hankins said it is her understanding that the responsibility requirements are a part of the Water Board agreements. She added that a representative from the Water Board was present and could possibly address that question.

Mr. Jeff Huggins introduced himself as a Water Resources Control Engineer with the Central Valley Water Board. He stated that he had been involved with the project since 2007 and 2008. He was also the Regional Board Staff Engineer for construction of the Empire Mine passive treatment system which is very similar to the proposed project. As authorized by the California Water Code the Central Valley Water Board is the primary agency responsible for coordination control of water quality on the North Star project. Their role is to ensure that treated water discharging from the North Star project meets water quality criteria outlined in the Basin Plan. This would be accomplished by issuing a permit for the North Star discharge based on the Central Valley Water Board's Basin Plan objectives for the protection of human health and aquatic life. They would review the monitoring data and would enforce the permit limitations. He stated that he was present to answer any questions about the construction and operation of the North Star passive treatment system. He stated that based on similar projects in the Central Valley Water Board area, that if Newmont sold the property or went bankrupt that the permit, because the permit is issued to Newmont and as it is written to require any successors to Newmont, would also pick up the responsibility for operation and maintenance of the facility in perpetuity. That is in the permit that Newmont or its successors would have to abide by. There are examples of companies going bankrupt in the Central Valley Water Board area. One option in such cases is that the Regional Board would identify itself as a creditor and would establish a claim to any of the company's assets, then either set up a trustee or act as Trustee to oversee the operations and maintenance long-term. While it is a possibility that the site could become a superfund site, he believes that they would get a petition beforehand to act to ensure that there were assets and a party to operate the treatment system long-term.

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Commissioner Aguilar asked if Newmont was required to have a bond or construction bond.

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Planner Hankins stated that there is no bond required by the County.

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Chair Duncan asked for clarification regarding ownership. She questioned if New Verde Mines, LLC was the owner of the improvements and Newmont was the owner of property.

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Mr. Lyle stated that New Verde Mines, LLC is a subsidiary of Newmont. The property is owned by New Verde Mines, LLC but Newmont is responsible for the property. He agreed that if New Verde Mines was no longer in existence, then Newmont would be responsible. He also stated that he believed that Newmont is named as the permittee on the Drew Tunnel.

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Chair Duncan stated that the Water Board must be happy that the project was at this stage.

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Mr. Huggins agreed that it had been a long process.

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528 Chair Duncan opened the public hearing at 2:38 p.m.

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Mr. Leroy Bakelmun lives on Homeward Lane. He noted that he is near the planned staging area. His front door is 40' from the property line. He is concerned about the dust and chemicals that could affect him negatively as a patient recovering from lung cancer. He wanted to know why the process had taken a long time and asked what had happened between 2000 and 2009. He felt that someone had been dragging their feet. Now they had just a couple months of notice of the project. He wants to know what was going on during that time. It was his understanding that the City was suing Newmont and Newmont was fighting it. Now there is a rush to do the project just because Newmont is going to be fined if they do not finish in time. He hadn't seen evidence that an active system program wasn't the proper way to go. Added expense for that type of system would be Newmont's problem. He thought the most obvious, sensible and cost effective thing to do would be to just plug it up. It was plugged up before, why not now? Planner Hankins mentioned a double lining, and if the lining was breached that someone would be notified. Who would be notified? Neighbors or the City? This is toxic water and their wells are right there. He asked who would be responsible for the devaluation of their property. They have read reports that a project like this could adversely affect their property by as much as 30%. The people who own these homes now have to fight a massive corporation. Who would buy a home next to a huge toxic pond? Who would pay for that shortcoming? There is a huge 760acre parcel yet they are led to believe that there is no other place on it that could be used. He wanted real proof of that. He asked if they could take Newmont representatives seriously as they depend on Newmont for their financial benefit. You get 55,000 hits if you Google Newmont lawsuits. They have lawsuits all over the world for their toxic contamination, how they treat communities and local governments, they are not a good corporation or a good neighbor. They

have been dragging their feet for 15 years. Just now with the foliage discussion it shows that they haven't thought it through. He asked the Commissions to think about the humans that live there.

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Zora Biagini lives on King Way, next to Mote Lane where the ponds are going in. She read a prepared statement, submitted via fax at 4:38 p.m. September 24<sup>th</sup>, 2015, that is now part of the public record.

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After approximately 10 minutes of reading, Chair Duncan asked if Ms. Biagini would wrap it up to allow others to speak.

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Ms. Biagini continued to read the prepared statement.

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After several more minutes, Chair Duncan thanked Ms. Biagini and asked that she give up her seat so that other audience members would have a chance to speak.

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Mr. Dewitt Hupp lives on Allison Ranch Road. He stated that as near as he can tell nearly every abandoned mine in the country is full of pollution. He felt sure that mankind could find a way to close up the tunnel that was accidentally opened by the City.

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Jason Petersen lives at the corner of Homeward Lane and Allison Ranch Road. He stated that he was asked to look into Newmont as a company and to paint a picture of them. However, he feels that the big theme amongst the residents is that the problem has to be dealt with and that it has existed for far too long. Newmont is being held responsible. He thought it was a little sad that in the 11th hour it was trying to be pushed along and wrapped up. The residents who will be directly affected only had a short window to have their emotional freak-out. He stated that property values were the big theme for everybody. There was no disclosure when he moved in in 2014. There was no documentation provided that supported the plan. The property behind him was owned by Robinson according to the title company, he didn't know if it took a while for documentation to flow through. He probably wouldn't have made the choice to move there. The wastewater treatment plant was a big factor, he hung out at the house, wondering about the smell and driving by it every day; but it is a beautiful neighborhood full of trees and now they have to deal with the project. The plan looks good on paper, topography makes sense and makes it economical, but sometimes the easiest cheapest way is not the best way, but they had waited too long and now had to push it through. He looked to the City of Grass Valley to figure out how neighbors would be financially affected by the project. He dumped everything he had into his house, maybe he'll lose 30%, it freaks him out. He noted that Jim Hemig wrote an article in the paper that rebutted some of the neighborhood concerns and stated that the few people that live nearby should take it on the chin for the good of the rest of the tax payers since Newmont is footing the bill. He wondered if he should look to Newmont for what he and his neighbors would lose in their property values. He would like to understand how they deal with that.

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Judy Connolly lives on King Way, a little way from the pond location. In 1995 the City of Grass Valley parcel number 29-290-26 Wastewater Treatment Plant was cited by the Water Board and Department of Toxic Substances Control Board which ordered the City to stop excavating for the expansion of the Wastewater Treatment Plant due to toxic levels of lead and mercury which were

uncovered during the grading process. The City was specifically ordered to contain, encapsulate, remove, dispose of the toxic soil, approximately 105 to 135 cubic feet. These processes were not to occur without specific permits obtained by the City of Grass Valley ensuring hazardous waste would not endanger the population, surrounding soil, waterways, and habitats. As of this date, there has been no containment, removal nor disposal of that toxic soil.

Chair Duncan asked Ms. Connolly to please keep her comments to the proposed project.

Ms. Connolly explained that it was relative to the project at hand. She showed a letter from the Governor's office to Planner Hankins regarding the North Star Water Treatment Plant. She stated that she believed that the City of Grass Valley was going to be selling a northerly portion of 29-290-26 to Newmont and on the back side of the August 11, 2015 letter from the Governor's Office of Planning & Research regarding the subject project the parcel number on the back was missing one digit. This was a deliberate omission and we need to address parcel number 29-290-26 that is being sold to Newmont to accommodate the North Star Treatment Plant. She said it has never been taken care of and the toxic soil parcel is going to be sold to Newmont. She did not think it is a good idea and felt that the whole project should stop based on that alone, not to mention that it would be 40-feet from Irma's front door.

## Chair Duncan thanked Ms. Connolly.

Kathy Racz lives on Kensington Court in Grass Valley. She is the owner of the Courtyard Suites Hotel in Downtown Grass Valley. When she built that project, there was a huge outcry from the neighborhood for their building and construction of their project. She understands the "not in my backyard" mentality, however, people need to see the vision of a development and what assets they will bring to the immediate neighborhood and the entire community. The North Star project is under the gun to complete a treatment facility for contaminated water that is already running into Wolf Creek which affects the entire community. How many shafts, how much contaminated water is under the entire area? If the issues are not addressed, it will only get worse. It is not just this property, how many shafts and how much water is under the entire area. This is one thing that needs to go forward for the greater good. The neighborhood now loves her development. It has enhanced values; it has improved the neighborhood and provided taxes to the City. The community needs to see the overall picture of the improvements that Newmont is going to make. She has lived here for 37 years. She has seen a lot of growth and development. She believes the City and County have done a fabulous job maintaining the small town atmosphere while dealing with all the issues that started in the 1800's.

Allen Frandsen lives in the Carriage House development (on the west side of Freeman Lane abutting the east side of Wolf Creek). He appreciates that the North Star pump is proposed to be underground which will be quiet. He understands that standby power will come on when necessary, however, from the presentation it sounded as if it would not operate on weekends. There is probably a 60-hour period on weekends when the standby system could be operating assuming that this is a 60-hour period when there is no PG&E power. If the standby generators operate day and night for a 60-hour period it would be a bit of a concern. He assumes pumps are intended to run day and night. He is glad someone is listening that they want quiet and he appreciates that. However, he wondered if the standby power system is turned off for 60-hours

over a weekend when there is no PG&E power and there happens to be a lot of rain what would happens to the overflow. Where would the water go? He presumed that the drainage would continue and go into the creek. He supposed if the pump was not working the water would go someplace. Sometimes the creek is very, very orange, he knows there is a problem and he is glad it will be addressed. He is concerned about what would happen if the pumps weren't working. He also felt there was a consistency issue regarding Vector Control involvement. In one place in the Staff Report it stated that Vector Control would be involved for 2 months to check things out, in another place it stated 3 to 4-months. In the presentation today it was during the summer. As long as it is adequate and that Vector Control professionals say that there is a possibility of some problem with mosquitos it should be checked, not based on some document. Whatever is needed is his recommendation. His final thought is that the property is owned by a mining company and it is conceivable that at some point they may want to reopen the mine. He asked what role the project played in whether or not the North Star mine is reopened. Is it planned to be re-opened, is it totally inadequate or what? He thanked the Commissions for listening.

Simone Sasano lives on the Ridge. She stated that they have the same problem at Cisco Mine.
The ponds there are chartreuse green and sometimes orange. There is no greenery or any living thing around those ponds. A block away they ship in drinking water to Grizzly Flats School.

Chair Duncan asked Ms. Sasano to keep her comments to the project at hand.

Ms. Sasano stated that she was doing a comparison.

Mr. Bruce Ivy lives on Fifield Road. He stated that he is in the middle of a project with Planner Hankins and would like to know about the process. He followed what happened at Empire Mine. He is very inquisitive about new technologies that are helping with previous mining issues; he lives next door to one. It is a current application with the Planning Department and he spoke very highly of what Planner Hankins and the Planning Department did today and found it very informative. He stated that he promotes common sense on how to try to fix things. There are problems in the environment; he wants to see solutions that make sense. He likes seeing the technology at Empire. He wants to promote green, passive solutions and clean water. He is glad the project is finally coming to a head to be dealt with and hopes the Commission can bring everyone together.

Ms. Debbe Blakemore lives on Mote Lane in Grass Valley. Their house is directly across from where one of the wetland ponds will be located. She expressed that the project is something that needs to be done. Instead of being labeled a toxic pond she is looking at it as being a clean pond. They have lived there for over 40-years and they have never consumed the water from their wells. They know for a fact that their groundwater is contaminated. She would rather see clean water going through her property. She would rather see the wetlands which is a natural looking visual. She thinks if someone were to sell their property it could be presented to a potential buyer as a green, passive project that makes sense. She can't speak to Newmont as a whole, but she stated that the individuals she has dealt with have been responsive and helpful whenever she has had concerns and asked them to come out and discuss the project in person.

Mr. Blakemore seconded her comments.

692 Chair Duncan closed the public hearing at 3:21 p.m.

Principal Planner Barrington asked for a ten minute break.

Chair Duncan resumed the meeting at 3:33.

Planner Hankins responded to questions from the comment period. She started with a response to Mr. Bakelmun's comments regarding dust and chemicals from the ponds. Dust should not be an issue of concern with the wetland pond due to the water within the pond as well as the vegetation that would be planted on the outer slopes of the wetland pond. There are no chemicals that would be used in the process. The heavy metals would be precipitated and settled to the bottom of the pond so release of heavy metals is not anticipated to occur as part of the project.

Planner Hankins responded to comments regarding the suggested alternative to plug some of the mining features. This was reviewed as an alternative as part of the Initial Study. There are hundreds of miles of underground mine features in the area. If the known features were plugged it would serve to back up that water to another hydrologically connected area and the water would then seep out into an unknown area with unknown consequences. It is the environmentally superior alternative to deal with the known areas where the water is coming out.

Planner Hankins noted that the potential for property devaluation due to the project is discussed in the Staff Report. Effects on property value due to a project is not a part of the Planning Department process, however, the purpose of the land use permitting process is to address potential impacts to property and to mitigate any found so that there aren't negative impacts to properties. Staff feels like it has been done to the extent possible.

In response to comments regarding Newmont as a company Planner Hankins agreed that they do have many mines around the world, but stated that is not relevant to this project.

Planner Hankins also responded to comments regarding insufficient project noticing. The noticing was expanded from what is required with the intent to notify people that could be directly affected by the project and the construction on Allison Ranch Road. Additionally, the Union published the project notice, the County has a project web page that she has been maintaining which stated the public hearing date once it was set and had the project documents available for public review. Additionally the County has a notification list that people can sign up for notification on specific projects, projects within a certain location and /or types of projects. In terms of noticing throughout the process and not having enough time to review the project, there was an initial distribution notification that was mailed in December 2014 to interested agencies and to anyone who had previously requested notification. Once the project description was completed the Initial Study was prepared and when it was finalized in July it went out for public review and was noticed in the newspaper as well. There was public notice for the hearing as well.

Planner Hankins presented a slide in response to comments made by Judy Connolly about the City of Grass Valley. One comment she had made was that the State Clearinghouse had provided a document to Planning in which the parcel number for the City lot that the Drew Tunnel pump station is proposed to be on was truncated by one digit. The document Ms. Connolly is referring to is a form that the State Clearinghouse provides to the lead agency after a project is distributed through the State Clearinghouse, and is not a form provided to notified agencies. The form shows the project description and who the Initial Study was distributed to and shows who responded to the Initial Study. Staff did have the complete Assessor's Parcel Number on the Initial Study itself, so anyone who received the project and reviewed the Initial Study would see that the full parcel number was included.

In response to Ms. Connolly's comments regarding the clean-up site on the City parcel, Planner Hankins displayed a screenshot of the Department of Toxic Substances Control (DTSC) EnviroStor website that provides information on different clean-up sites within the entire State. Anyone could use the website and put in any address using their home computer. The screenshot showed the status of City WWTP site as a certified site. They did the clean-up and it was certified. The operation and maintenance refers to the fact that there is ongoing monitoring of the clean-up site. There was soil-bound mercury that was found in the southernmost area of that City lot. It is not a part of this project; it would not be disturbed as a part of the project; and it was not a part of the study area because the proposed project is in the northern area of the City parcel and has nothing to do with the project site. The mercury was encapsulated and DTSC certified that the remediation is complete with ongoing monitoring.

In response to a comment by Mr. Frandsen, Planner Hankins clarified that the mitigation measure for the generators just refers to the exercising of the generators. Only the exercising of the generators would be limited to 8:00 to 5:00 Monday through Friday, but if there is an emergency they would kick-on and run as long as necessary. They are standby generators and the intention is to make sure that there is always power at the pumps so that there is no contaminated water leaking through the mining features and getting into Wolf Creek.

Chair Duncan asked if that exercising the generators meant checking to see if they are working.

Planner Hankins confirmed that as true.

Principal Planner Barrington stated that the standard process is that they run for about 15 minutes every couple of weeks to ensure that they are continually lubricated and operational in case of a power failure.

Planner Hankins responded to Mr. Frandsen's question about Vector Control. The Mitigation Measure is specific about the months that that would need to occur in. It states for the first two summers of project operation from May through October. In response to his questions about reopening the mine, she stated that the County has no information that there is any proposal to that effect.

Planner Hankins responded to statements that an EIR should be prepared. The standard for an EIR is whether a fair argument can be made that there is an impact that cannot be mitigated to a

less than significant level. The Initial Study mitigates all impacts to a less than significant level so Staff feels that a Mitigated Negative Declaration is the appropriate CEQA document.

Chair Duncan asked Planner Hankins to address Mr. Frandsen's question about what would happen if there were overflow due to no backup.

Planner Hankins stated that there would always be power available because of the standby generator. She added that part of the question may be about potential flooding impacts which she had expanded on in the revised Initial Study. If there were to be a flood event, the sedimentation pond is designed for a 100-year storm event with 2-foot freeboard. The wetland pond has a spillway that would allow water to discharge into the tributary. If there is flooding from these ponds it would be treated to a certain extent prior to its release back into Wolf Creek.

Commission Aguilar asked about the alarm sensor between the two layers of the double containment. Specifically, he wondered who would be notified if there was a leak.

Planner Hankins stated that the project operator, whoever the contractor is that would be responsible for the maintenance of the site, would be notified. She was not sure who that was going to be. She suggested that the project engineer might be better situated to answer questions about that system. She added that there is a telemetric monitoring system on the pipelines as well which would notify the operator if a leak or breakage were to occur so that they could be fixed quickly.

Commission Aguilar asked if heavy metals would go into the ground or the groundwater if there were to be a leak.

Planner Hankins stated that the metals would precipitate and settle into the bottom of the pond. If there is overflow the cleaner water would be the overflow. She was not sure under what scenario the sediment were to leach into the soil however, it if were to happen her understanding was that the particular metals of issue are not very mobile in our soil conditions and they would not migrate very quickly.

Commission Aguilar asked to see a map showing the location of the sedimentation and wetland pond location. He wondered why the sedimentation pond could not be moved closer to Allison Ranch Road to be further from the Homeward Lane residence, or be a different shape to allow it to be further from the residence.

Chair Duncan asked if the project engineer could discuss how it would be managed after construction.

Mr. Worthington stated that the sedimentation pond was proposed in that location because there is an existing PG&E powerline easement that runs N-S along the western side of the proposed area for the sedimentation pond so it could not be moved further to the left than where it is proposed. Also the location would provide as much vegetation screening as possible from Allison Ranch Road. In terms of the shape it is designed as two separate sedimentation ponds to provide operational flexibility because the flows from the mine drainages vary over the course of

the year. During the dry season the water would be contained in one pond, and in the wet season it would be in both. For precipitation of iron or the removal of iron in the sedimentation ponds, even though there would be continual movement in the ponds, it would provide for sediment of iron particulates and to some degree manganese particulates as the water is moving through the ponds. They want it to be a linear feature for efficiency of iron removal, also, because for installation of the double HDPE liner system you want them to be as square or rectangular as possible. An irregular shaped pond would have more seams which mean higher potential for leakage so a square or rectangular design would allow for the least amount of seams.

Chair Duncan reminded Mr. Worthington to discuss long term management once it is constructed.

Mr. Worthington said once it was constructed, maintenance would be performed on a regular and periodic basis, and inspections would be on foot once per week. No vehicle traffic would be on the sides of the ponds.

Chair asked if a local agent would be performing the inspections.

Mr. Worthington said that Newmont would contract with a local contractor to do those normal routine inspections. There would be an alarm system and, with a water meter, they would be able to manually determine if there is any water present between the two layers so would not have to totally rely on the alarm system. If water were detected, a pump could be installed in order to recirculate it into the sedimentation pond.

Commissioner James asked if there would be some kind of insurance bond or deposit to guarantee that it would be constructed properly.

Principal Planner Barrington stated that the Conditions of Approval would ensure it.

Commissioner James asked what protocols would be in place to ensure that it is being done. How would it work if in 10 - 15 years a new Planner was to check to see if there was compliance with maintenance requirements? Would a plan be submitted to Planning or to the State so that there were protocols for operation and maintenance that could be reviewed to ensure that it was being done?

Planner Hankins replied that if the project was approved then essentially the Water Board would become the primary regulatory agency, they would be responsible for monitoring water quality and making sure that the system is operating properly, and the County would not be involved in that.

Commissioner James asked if Newmont would submit some form of maintenance manual or protocol that states what the equipment is and what they will do so that the Water Board can follow it and make sure it is happening.

Planner Hankins stated that the County's permit is for the ground disturbance and construction to make sure it is consistent with our zoning and the County's development standards, and beyond that the Water Board steps in and the project becomes the Water Board's responsibility.

Chair Duncan thanked everyone. She stated that it has been a long process.

Commissioner Aguilar stated that while he is extremely sympathetic, especially for the two neighbors that are adjoining to the proposed sediment pond, he believes the landscaping mitigation is going to help tremendously with that and it is extremely important. The project is sorely needed for the health of our County.

Motion by Commissioner Aguilar to adopt the Mitigated Negative Declaration as modified pursuant to CEQA Sections 15074, 15074.1 and 15073.5; second by Commissioner Poulter. Motion carried on a voice vote 5/0.

**Motion by Commissioner Aguilar** to approve the Management Plan, as modified, including an addition of some rapid landscaping plants.

Principal Planner Barrington asked if the Commission would like an additional Condition of Approval added and read an augmentation to Condition A.7 that he drafted during the hearing after the discussion on that matter. "Temporary fast growing plants, shrubs and trees shall be incorporated into the final landscaping plan and installed following construction to augment the proposed planting plan. Following establishment of the proposed native planting plan, those temporary plants can be removed once adequate screening has been established."

Commissioner Aguilar found that acceptable.

Second to approve the Management Plan by Commissioner Poulter. Motion carried on voice 5/0.

Motion by Commissioner Aguilar to approve the Use Permit, as modified, second by Commissioner Poulter. Motion carried on voice vote 5/0.

Chair Duncan stated that there was a 10-day appeal period on the action taken. She thanked the audience for coming and for their participation.

Planning Director Foss updated the commission on the RCD and TTAD projects. The BOS heard and approved both unanimously on Tuesday. He thanked staff for their work on that. He noted that he provided a status update to the Board on the Fire Protection Policies prior to their discussion on the vegetation management ordinance that is still under construction.

No projects are imminent in October.

Commissioner James asked when the Housing Element would go to the Board.

Planning Director Foss replied that it was scheduled for October 27.

918 Motion by Commissioner Jensen; second by Commissioner James to adjourn. Motion 919 carried on voice vote 5/0. 920 921 There being no further business to come before the Commission, the meeting was adjourned at 922 4:08 p.m. to the next meeting to be next meeting to be held at a date and time yet to be 923 determined in the Board of Supervisors Chambers, 950 Maidu Avenue, Nevada City. 924 925 926 927 928 Passed and accepted this day of , 2015. 929 930

Brian Foss, Ex-Officio Secretary

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