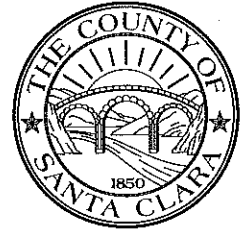


County of Santa Clara

Department of Planning and Development
Planning Office

County Government Center, East Wing, 7th Floor
70 West Hedding Street
San Jose, California 95110-1705
(408) 299-5770 FAX (408) 288-9198
www.sccplanning.org



September 6, 2011

David W. Knapp
City of Cupertino
10300 Torre Avenue
Cupertino CA 95014

Subject: Bi-Annual Santa Clara County SMARA Program Update Report, submitted to the Housing, Land Use, Environment, and Transportation Committee of the Board of Supervisors

Dear Mr. Knapp:

Enclosed for your information is a copy of the biannual report prepared by Planning Office staff regarding the Santa Clara County SMARA program, which is submitted to the Housing, Land Use, Environment, and Transportation Committee (HLUET) of the Board of Supervisors. This report was accepted by HLUET on August 18, 2011. If you have any questions regarding this matter you may call me at (408) 299-5747.

Sincerely,

A handwritten signature in cursive script that reads "Gary Rudholm".

Gary Rudholm
Senior Planner

ENCL



PLN02 081811

Prepared By: Gary Rudholm
Senior Planner

DATE: August 3, 2011

TO: Supervisor Mike Wasserman, Chairperson
Supervisor Liz Kniss, Vice Chair
Housing, Land Use, Environment and Transportation Committee
(HLUET)

FROM: Jody Hall Esser,
Director of Planning & Development

SUBJECT: Bi-Annual Santa Clara County SMARA Program Update Report

RECOMMENDED ACTION

Accept bi-annual report regarding the County's administration and implementation of the Surface Mine and Reclamation Act (SMARA) program.

FISCAL IMPLICATIONS

There are no fiscal implications to accepting this report.

CONTRACT HISTORY

Not applicable.

REASONS FOR RECOMMENDATION

This report is a bi-annual informational update requested by and presented to the HLUET Committee.

BACKGROUND

The Surface Mine and Reclamation Act (SMARA) is a state statute that requires all operators of surface mines to have and implement approved plans that provide for the reclamation of mined land, following completion of mining activities. The County currently has eight surface mine sites that are subject to SMARA. Five are active and three in various stages of final reclamation.

By its design, SMARA is implemented by the local jurisdiction in which the surface mine is located. This report to the Housing, Land Use, Transportation, and Environment Committee is submitted biannually to update the committee on the status of the County's SMARA program, the status of each of the mines, describe programmatic accomplishments made by staff, and to list the program goals for the calendar year.

Unlike the previous five years, in 2011 inspections and preparation of inspection reports will be conducted by County staff for all but one mine. In recent years, considerable effort has been expended to increase County staff sight inspection expertise, thereby eliminating the necessity to rely on a third-party consultant in most cases. By eliminating the use of a consultant in the inspections the Department expects to be more cost effective from the mine operator's standpoint, while at the same time achieving cost recovery for the delivery of this service, and providing the same level of detail and thorough inspection reporting that we provided to the state and county in previous years.

The Department will continue to contract with a consultant for inspection and report preparation for the Permanente Quarry, the largest and most complex quarry in the county, and as a result, there are numerous issues to inspect and monitor. Staff is of the opinion that the additional technical expertise afforded by a consultant ensures the inspection fully compares the status of the mine in 2011 with status of the previous year, ensures the observations in the field are fully documented, and that the facts are clearly detailed in the report.

The Permanente Quarry remains under two Notices of Violation (NOV) and the mine operator continues to work with the Department to process an amendment to the approved Reclamation Plan, which is the means of abating the NOVs. None of the other mines have NOVs and are in compliance with SMARA and County requirements. In addition to the Reclamation Plan Amendment for the Permanente Quarry, the Department is processing two other proposed Reclamation Plan Amendments, one for the Freeman Quarry and one for the Serpa Quarry.

The following pages provide a description of the current status of all mines, specific activities undertaken by staff in implementing the County's SMARA program, a list of goals for the calendar year, and the 2011 SMARA inspection schedule.

STATUS OF SURFACE MINES

Curtner Quarry (County File 1988) (State Mine ID 91-43-0001)

Property Owner: Crayton & Sandra Jones et al, trustee

Mine Operator: DeSilva Gates Construction

Location: Off Scott Creek Road, east of Highway 680, Milpitas

Status: Active surface mine

The Curtner Quarry is an operating surface mine located northeast of the City of Milpitas (east of Highway 680, off Scott Creek Road). This mine is operating in compliance with its Reclamation Plan amended on August 14, 2008, and is in compliance with SMARA. The County issued a Notice of Violation (NOV) September 1, 2006, because a portion of the site that continued to be used as part of normal operations, (including an access drive and temporary storage of equipment or stockpiles), was identified in the reclamation plan as having been reclaimed. The NOV required the mine operator amend the existing reclamation plan and clarify those areas within the mine that would remain disturbed during ongoing mine operations, and those that would not. The Architecture and Site Approval Committee (ASA) approved a reclamation plan amendment on August 14, 2008, thus abating the NOV. The quarry has continued to operate to date without further incident.

Staff filed the 2010 SMARA inspection report with the State Office of Mine Reclamation (OMR) on September 29, 2010, and forwarded the Financial Assurance Cost Estimates (FACE) on the October 27, 2010. After obtaining comments regarding the FACE, and subsequently submitting responses to those comments to OMR, the County approved the FACE on April 25, 2011, and required the mine operator increase its Financial Assurance bond to \$820,724.00. The operator subsequently posted the increased bond with the County on May 13, 2011.

The 2011 SMARA inspection is scheduled for August 18, 2011. Staff will again review the FACE for the Curtner Quarry following the inspection and submittal of the inspection report to OMR. A summary of the inspection and the FACE review will be provided in the next bi-annual report.

Serpa Quarry (County File 2071) (State Mine ID 91-43-0002)

Property Owner: Jean Raisch, trustee

Mine Operator: Granite Rock Company

Location: Old Calaveras Road, Milpitas

Status: Subject to reclamation

The Serpa Quarry is located east of Milpitas, off Old Calaveras Road. This mine is operating in compliance with its amended Reclamation Plan approved on March 11, 2010, and is in compliance with SMARA. The County originally approved the Reclamation Plan for this facility in 1983. The County ASA Committee approved an amendment to the Reclamation Plan for Serpa Quarry on March 11, 2010: the mine operator at that time was Raisch Products, however, this company is no longer in business. In December 2010 Granite Rock Company took over operations and is now responsible for implementing the approved Reclamation Plan.

Staff conducted an inspection of Serpa Quarry with the new mine operator on January 18, 2011, with Granite Rock representatives attending. Staff submitted the final inspection report to the State Office of Mine Reclamation on April 8, 2011. The mine operator submitted an FACE and revised it based on staff comments. Staff forwarded the FACE for review by OMR. Following closure of the 45-day review period by OMR, without receipt of comments from that office, staff approved the FACE in the amount of \$263,052.63 on June 1, 2011.

The Serpa Quarry is scheduled for the 2011 annual SMARA inspection on August 16, 2011. Staff will again review the FACE for the Serpa Quarry, following the inspection and submittal of the inspection report to OMR. A summary of the inspection and the FACE review will be provided in the next bi-annual report.

Granite Rock Company submitted an application for another amendment to the Reclamation Plan on July 8, 2011. This proposal would modify the final contours of the land following completion of reclamation. The application is currently incomplete; however, staff anticipates a public hearing will be convened by November 10, 2011, before the ASA Committee for an action regarding the amendment. An update on the status of this application will be provided in the next bi-annual report.

Azevedo Quarry (County File 4728) (State Mine ID 91-43-0003)

Property Owner: MTA Properties

Mine Operator: mining terminated, no operator on file

Location: 55 Hillsdale Road, west of Monterey Highway, San Jose

Status: Subject to reclamation

The Azevedo Quarry is surrounded by the City of San Jose on property commonly known as Communications Hill. Raisch Products actively mined the quarry from 1971 to 1999. Although material remained within the mine that could be harvested, the mine operator ceased mining. All the material that was sold from the facility from that point on came from the recycling operation located on the site and authorized by a Use Permit issued in 1993 and renewed by the County Planning Commission in 2003. Reclamation of the quarry commenced under the approved reclamation plan in 1995 and continued, in phases through 2009. In 2010 the County learned that Raisch Products was no longer actively reclaiming the quarry had ceased operations, had gone out of business and sold assets to pay creditors. The mine site is largely reclaimed, consistent with its approved reclamation plan; however some work remains to be completed.

In October 2010 Department staff notified Liberty Mutual, the bondholder of the Financial Assurance posted by Raisch Products, the County did not believe the operator to be in a position to complete reclamation and for that reason the County was seeking forfeiture of the \$249,980.00 bond to cover the completion of reclamation. The insurance company advised the County it would consider its legal obligations and rights, and might choose to contract directly to complete the reclamation of Azevedo Quarry, rather than provide the funds to the County. In early spring 2011, staff provided a list of tasks that must be done at Azevedo Quarry to complete reclamation. Despite additional attempts, Liberty Mutual has not replied or proceeded to complete reclamation at the quarry site. Staff has issued a final demand letter to Liberty Mutual on August 5, 2011, and the Department is working with County Counsel to determine the next steps to force payment of the bond. Staff has issued a new letter of demand to Liberty Mutual

A portion of the land at the Azevedo Quarry includes a recycling facility authorized by a Use Permit to process and sell recycled concrete, asphalt, and soil. The property owner, Rob Bettencourt of MTA Properties, has been keeping the asphalt, concrete, and soil recycling facility operating at a minimal level, by selling material from existing stockpiles, to ensure the Use Permit does not automatically expire. The owner was in

negotiations with West Coast Aggregates to take over the recycling operation in the spring of 2011; however, the facility remains under the management of the property owner. Richard DeAtley, the President of West Coast Aggregates (WCA), and the property owner both met with staff in April 2011 to advise staff that WCA may take over management of the recycling facility. Mr. DeAtley informed staff on August 3, 2011, that negotiations are still taking place and may be completed within the next two or three months. Mr. DeAtley advised staff that he and his partner require the additional time to complete a study of the market for recycled material in the south bay area, before entering into a lease arrangement with the property owner. The property owner informed staff that among the items being negotiated is a requirement of WCA to remove an existing stockpile of asphalt from a portion of the land that remains to be reclaimed.

Permanente Quarry (County File 2250) (State Mine ID 91-43-0004)

Property Owner: Hanson Permanente Cement, Inc.

Mine Operator: Lehigh Southwest Cement Company

Location: 24001 Stevens Creek Blvd., Cupertino

Status: Active surface mine

Notices of Violation and Reclamation Plan Amendments

The Permanente Quarry, operated by Lehigh Southwest Cement Co., is located west of the City of Cupertino at the end of Stevens Creek Boulevard. (This quarry was previously known as the Kaiser Permanente Quarry, and later known as the Hanson Permanente Quarry.) This is the largest operating surface mine within Santa Clara County. The mine operator has two SMARA Notices of Violation (NOV) issued by the County requiring abatement. The first issued in 2006 affects all the quarry property that has land disturbed due to mining operations. The second issued in 2008 affects a portion of the land known as the East Materials Storage Area (EMSA).

The first NOV led to an application from the mine operator in 2007 that would, if approved, address the violation by providing for reclamation of all the areas of disturbance that exist. (The reclamation plan originally approved by Santa Clara County in 1985 did not cover all the area disturbed by the mine.) This proposal included an expansion of the mine. Because the 2007 application did not have adequate geology analysis, an additional two years was required to conduct field work, conduct analysis of the data, and prepare the report and graphics, all of which led to a new application

submitted by the mine operator in May 2010. This application, commonly referred to as the Comprehensive Reclamation Plan Amendment (RPA), was being processed by County staff and its consultant through June 2011. Work on the environmental review was put on hold at that time, however, because the mine operator advised the County that it would modify its proposal and eliminate the proposed expansion.

The second NOV requires the mine operator address overburden material from the mine pit deposited in the EMSA, which is outside the approved reclamation plan boundary. Because the mine operator requires use of the EMSA for operational reasons, after consulting with the State Office of Mine Reclamation (OMR), the County entered into an agreement with the mine operator to allow continued use of the EMSA while a separate Reclamation Plan Amendment (in addition to the one discussed above) is processed under an accelerated time line. The intent was to have the second NOV abated through an amendment to the original Reclamation Plan as soon as possible, and not wait until a Comprehensive RPA is finished. The EMSA RPA was continuously processed by County staff and its consultant through June 2011, when the mine operator advised the County that it would modify both their reclamation plan amendment proposals by eliminating the proposed expansion, and combining them into one RPA.

The County received a letter from Lehigh Southwest Cement, Inc., dated June 3, 2011, formally advising that Lehigh would not pursue the proposed expansion of the quarry, that they would submit a new application that would encompass all the areas of disturbance and thereby address both NOV's, and would change the location where fill material that would be obtained and permanently placed in the mine pit. The mine operator submitted this new application to the County Planning Office on Friday, July 29, 2011. The Planning Office has commenced processing the application and will work to have the project and all the required environmental review released for public comment by December 2011 and to be certified and otherwise to come into full compliance with SMARA by June 2012.

Communication with the State Office of Mine Reclamation and the State Mining & Geology Board

Notwithstanding prior consultation with and guidance from OMR regarding the schedule and process for bringing the Quarry into full compliance with SMARA, in July 2010, OMR expressed concern about the schedule to complete the Reclamation Plan Amendment process and bring Permanente Quarry into compliance with SMARA. In an

effort to keep the Office of Mine Reclamation up to date on the County's efforts to process the two serial reclamation plan amendments, and the associated environmental review, as well as report on the status of the annual SMARA inspection (see below), Department staff committed to submitting monthly reports summarizing the County's efforts. In those reports staff advised OMR on progress, and provided updates to the schedule in which the work would be completed and public hearings scheduled on the proposed amendments. At no time did the OMR provide any responses or comments to the monthly reports.

In January 2011, Staff learned that complaints were being brought to the State Mining & Geology Board regarding the Permanente Quarry and the County's work in processing the reclamation plan amendments. Staff made a presentation to the SMGB on February 10, 2011, and provided a status report regarding the work to date to bring Permanente Quarry into compliance with SMARA. Staff attended a follow up meeting and made another presentation on June 9, 2011. During the June meeting the Director of the Department of Planning and Development advised the SMGB she had learned days earlier of Lehigh's intention to withdraw its proposed expansion and submit a new Reclamation Plan Amendment that would address both NOVs, advised the SMGB that this application was expected by the first week of August 2011. The Director also advised that this simplified plan would better ensure that full compliance with SMARA could be achieved by mid-2012. .

On July 20, 2011, staff received a copy of a letter from a staff person of the OMR addressed to Lehigh advising Lehigh it had 30 days to obtain an approved reclamation plan and thereby address its outstanding violations. The letter goes on to state that failure to do so would cause the OMR to remove the Permanente Quarry from a list maintained by OMR of quarries that may sell material to state and local governments. (This list is commonly referred to as the "AB 3098" list.) The Director sent a letter dated August 3, 2011, refuting several points made in the notice and requesting that based on the corrected information, OMR consider withdrawing the notice. Staff continues to process the simplified Reclamation Plan Amendment application filed on July 29, 2011.

SMARA Inspection

On August 20, 2010, the County conducted its annual SMARA inspection of the Permanente Quarry. The County submitted its final inspection report to OMR on September 29, 2010. Staff completed review of the mine operator's financial assurance

calculations and forwarded the calculations to OMR on October 15, 2010. Having received no comments from OMR concerning the FACE, Santa Clara County approved the calculations and required the operator to increase its financial assurances (FA) to \$11,439,992.00. The County received additional bonds to increase the FA as required on February 1, 2011.

The 2011 SMARA inspection for Permanente is scheduled for August 25, 2011. An outside consultant will assist staff with the field inspection, inspection report preparation, and review of the FACE. This year the Department is also using the services of the County Surveyor to ensure work within two specific areas of the quarry, the East Materials Storage Area and the West Materials Storage Area have remained within the restrictions of the 1985 Reclamation Plan and the April 2009 EMSA Agreement. A summary of the inspection and the FACE review will be provided in the next bi-annual report.

Lexington Quarry (County File 3690) (State Mine ID 91-43-0006)

Property Owner: Edward and MaryAnn Shirhall, trustees

Mine Operator: West Coast Aggregates, Inc.

Location: 18500 Limekiln Canyon Road, Los Gatos

Status: Active surface mine

The Lexington Quarry is an active mine located east of the Lexington Reservoir, in the Santa Cruz Mountains above the City of Los Gatos. This mine is operating in compliance with an amended Reclamation Plan and Use Permit approved for the mine on June 3, 2010, and is in compliance with SMARA.

On August 20, 2010, the County conducted its annual SMARA inspection of the Lexington Quarry. The County submitted its final inspection report to OMR on September 29, 2010. Staff completed review of the mine operator's financial assurance calculations and required revised calculations in a letter dated October 13, 2010. The County subsequently corresponded with the mine operator and its consultant reiterating the required re-submittal of this FACE. The operator submitted a revised FACE on March 3, 2011, which was forwarded to the State Office of Mine Reclamation for review. Following closure of the 45-day review period and no comments provided by OMR, staff approved the FACE on July 1, 2011. The mine operator subsequently posted an increase

to the Financial Assurance, which increased the bond from \$793,470.00 to \$1,094,723.00.

The Lexington Quarry is scheduled for the 2011 annual SMARA inspection on August 18, 2011. Staff will again review the FACE for the Lexington Quarry following the inspection and submittal of the inspection report. A summary of the inspection and the FACE review will be provided in the next bi-annual report.

Stevens Creek Quarry (County File 1253) (State Mine ID 91-43-0007)

Property Owner: Stevens Creek Quarry, Inc.

Mine Operator: Stevens Creek Quarry

Location: 12100 Stevens Canyon Road, Cupertino

Status: Active surface mine

The Stevens Creek Quarry is an active mine operation located in the foothills west of the City of Cupertino. The mine is operating in compliance with the amended Reclamation Plan approved for the site in 2009, and is in good standing with SMARA.

On August 19, 2010, the County conducted its annual SMARA inspection of the Stevens Creek Quarry. The County submitted its final inspection report to OMR on September 29, 2010. Staff completed review of the mine operator's financial assurance calculations and forwarded a copy to OMR for its review on October 27, 2010. Having received no comments from OMR, the County approved the FACE in the amount of \$828,392.18 on January 4, 2011; no adjustment to the financial assurance posted by the operator was required.

The Stevens Creek Quarry is scheduled for the 2011 annual SMARA inspection on August 16, 2011. Staff will again review the FACE for the Stevens Creek Quarry following the inspection and submittal of the inspection report. A summary of the inspection and the FACE review will be provided in the next bi-annual report.

Calaveras Quarry (County File 2066) (State Mine ID 91-43-0008)

Property Owner: C. W. Swenson, Inc.

Mine Operator: C. W. Swenson, Inc.

Location: Calaveras Road, east of Evans Road, Milpitas

Status: Subject to reclamation

The Calaveras Quarry is located east of the City of Milpitas, adjacent to Ed Levin County Park abutting Calaveras Road. This mine has not been active and has not produced any material for more than 18 years. For a period of ten years management of the mine was covered by an Interim Management Plan (IMP), which was approved by the County in keeping with SMARA.

The IMP expired in 2003 and, because the operator took no further action, despite communication from County staff both in writing and telephone calls, the County issued a Notice of Violation (NOV) on April 12, 2006. In order to abate this violation the mine operator was required (1) to commence reclamation of the property to the extent possible in keeping with the plan approved in 1983 (which was done and verified as reported in the annual SMARA inspection reports for this quarry); and (2) to submit an application to amend the existing reclamation plan to provide for a reduction in the amount of grading necessary to complete reclamation, protect existing biological habitat on the site, and change the re-vegetation plan to a mix more compatible with native species.

The operator complied with both requirements. The County ASA Committee approved the reclamation plan amendment on July 8, 2010.

In keeping with the requirements of the amended reclamation plan, the operator obtained clearance from the Regional Water Quality Control Board to commence the grading work necessary to stabilize an over-steepened slope on the old quarry site. (The RWQCB found the reclamation work to qualify for an Erosivity Waiver for exclusion from the Storm Water Construction General Permit and issued a certification to that effect.) The operator completed the grading, hydro-seeded the disturbed areas, and installed erosion control during November and December 2010. Staff inspected the quarry in January 2011 and filed the inspection report with OMR on April 27, 2011.

The grading work is complete at the Calaveras Quarry, and revegetation is planted and now must be maintained to ensure it will meet the survival standards stipulated in the amended plan. At the request of Department staff, two inspectors from the State Office

of Mine Reclamation (OMR) visited the site on May 24, 2011. The state inspectors agreed that the earth work necessary at the site is complete and consistent with the approved plan, that the revegetation conforms to the amended plan, and that reclamation is at the final stage where only monitoring and maintaining the revegetation is necessary. This visit by the OMR was necessary because the property owner would like to reduce the financial assurance posted for reclamation to cover only the remaining tasks of monitoring and maintaining the site, and both the County and State must be in agreement with the owner. The means of documenting the reduction of the Financial Assurance is through review of a new Financial Assurance Cost Estimate (FACE).

The property owner's representative subsequently submitted a new FACE on June 22, 2011. Department staff assisted the owner clarify the FACE then forwarded the calculations to OMR for its review on June 24, 2011. Assuming the state has no objections to the reduction to the Financial Assurance, it will be reduced to \$27,268.80, to cover only the work outstanding and necessary to complete monitoring and maintaining the site as described above.

The 2011 SMARA inspection of Calaveras Quarry is tentatively scheduled to take place during the week of August 22, 2011. As required under SMARA the FACE will again be reviewed to ensure the cost estimate is based on current information and is acceptable with the state. An update of the inspection and FACE review will be provided in the next bi-annual report.

Freeman Quarry (County File 6538) (State Mine ID 91-43-0010)

Property Owner: Castro Valley Properties

Mine Operator: Granite Construction Company

Location: 3201 Monterey Road, west of Highway 101, Gilroy

Status: Active surface mine

The Freeman Quarry is an active mining located south of Gilroy and west of Highway 101. The mine is operating in compliance with its amended Reclamation Plan approved in 2008, and is in good standing with SMARA.

The 2010 annual SMARA inspection took place on August 18, 2010. The County submitted its final inspection report on September 29, 2010, to the Office of Mine Reclamation. The County reviewed the financial assurance cost estimates and required revisions to the calculations in a letter dated October 13, 2010. The County received a

revised FACE, reviewed the calculations and forwarded a copy to OMR on October 29, 2010. The County received comments from OMR in a letter dated December 20, 2010, indicating additional information was required. The mine operator provided a comment letter dated January 19, 2010, and the County provided comments and additional information to OMR on March 2, 2011. Following closure of the 45-day review, and no further comments provided by OMR, staff approved the FACE on April 25, 2011. The mine operator subsequently posted an increase of the Financial Assurance from \$1,185,785.00 to \$1,335,744.00.

The 2011 SMARA inspection of Freeman Quarry is scheduled for August 19, 2011. Staff will again review the FACE for Freeman following the inspection and submittal of the inspection report. A summary of the inspection and the FACE review will be provided in the next bi-annual report.

Granite Construction, the mine operator of Freeman Quarry, has applied for an expansion of the mine operations and its reclamation plan. Preparation of a draft environmental impact report (DEIR) is underway. Department staff issued a Notice of Preparation and scheduled a public scoping meeting to take place in the City of Gilroy on August 10, 2011. Staff estimates the DEIR will be published in the spring or summer of 2012. An update of the status of the proposed expansion and associated environmental review will be provided in the next bi-annual report.

ACTIVITIES BY STAFF

Annual SMARA Inspections

The annual SMARA inspections begin with a review of the previous year's inspection reports for all the mines. The field inspections take place in August of each year. The tentative inspection schedule for 2011 is attached at the end of this report. Every mine is inspected by a team of County staff. In the case of the Permanente Quarry this team is supplemented by a consultant from a firm with experience in conducting both annual field inspections and review of financial assurance calculations. The County staff team includes one planner and one inspector from Land Development Engineering (LDE). In addition, the County Geologist participates in the inspections of all five active surface mines, as well as the Serpa Quarry, which is no longer harvesting minerals and is focussed on reclamation of the land by importing fill material to re-establish hillside contours.

The inspection in August 2011 will be followed by a winterization inspection by staff of LDE in October or November. These inspectors have experience inspecting projects where land disturbances have taken place due to grading or construction, and ensure proper erosion control measures are selected and installed. If necessary, the LDE inspectors will conduct follow up inspections if and when erosion control or pond maintenance is not sufficient and requires immediate attention.

The County complies with SMARA and provides full inspection reports to the Office of Mine Reclamation. These reports include a completed MRRC-1 form and a separate written report that (1) summarizes the site conditions found during the inspection, (2) describes the status of the reclamation efforts, (3) itemizes issues that should be monitored in future inspections, and (4) provides directions to the mine operator of issues that should be addressed before the next inspection. Signatures include a planner in charge of inspection management, the County geologist, and a Senior Civil Engineer.

The County reviews the financial assurance cost estimates (FACE) prepared by the mine operators. The FACE is required to be provided at the time the field inspection is scheduled to take place. Following the field inspection, the FACE is reviewed for compliance with the guidelines set forth by the SMGB and made available from the

Department of Conservation. The County-retained consultant also reviews the FACE and provides advisory comments regarding the adequacy of the calculations. As required under SMARA, after the County completes its review of an FACE the calculations are forwarded to OMR, which is provided 45-days under SMARA to review and submit comments to the County.

Reclamation Plan Amendments

As described above, staff is processing three RPAs: one for the Permanente Quarry, one for the Freeman Quarry, and one for the Serpa Quarry. Staff expects to complete the CEQA review for the Permanente Quarry RPA and schedule the proposal for a public hearing in 2012. Staff has commenced the CEQA review for the Freeman Quarry and anticipates the proposal will be scheduled for a public hearing in 2012. The Serpa Quarry RPA will likely be heard by the ASA Committee by the end of 2011.

Staff Training

Training County staff in SMARA is continuous. Training during 2010 consisted of in-house training, particularly of LDE staff, both in the field (the experience shared by the County retained consultant was instrumental in this respect) and during preparation of all SMARA inspection reports. The County seeks opportunities for staff to obtain training from outside resources, as well as through project management and internal meetings. The County hosted a two-day training session provided by OMR at the Santa Clara County Training and Conference Center on March 22 and 23, 2011. Several County staff attended this workshop.

The Office of Mine Reclamation offers training specifically designed for lead agency staff. This training is an opportunity for OMR to share with lead agencies techniques that are in use by other lead agencies in California to administer implementation of SMARA. Staff therefore requested the training be provided and is tentatively scheduled to take place in September or October 2011, depending on availability of training staff from OMR.

Public Outreach

When the County processes reclamation plan amendments where neighboring property owners and residents expressed concern about specific quarries staff convenes meetings, or attends meetings as requested by city officials, and discuss the status of the respective

projects. In addition, the County convenes public scoping meetings prior to commencing work on draft environmental impact reports (DEIR). One such meeting was held on March 30, 2011, in Cupertino regarding the Comprehensive RPA for the Permanente Quarry. (As explained above, this proposal was withdrawn.) (A Notice of Prep meeting is planned for August 29 or 30, 2011, for the consolidated Reclamation Plan Amendment filed on July 29, 2011.) Another public scoping meeting took place on August 10, 2011, in Gilroy regarding a proposal to expand the Freeman Quarry.

The Planning Office maintains a robust web page with information that is frequently updated, providing useful information to the general public, particularly as project review continues for active reclamation plan amendments and their associated CEQA documents. Comments received in writing from the public, or responsible agencies (e.g., the State Fish & Game Department), are posted on the web page. Staff has in the past promptly responded to comments and questions made before the Board of Supervisors during Public Comment portions of the Board's meetings regarding the Permanente Quarry. These responses are posted on the Planning Office web site and provide factual information regarding issues of concern as expressed by the speakers during the meetings.

GOALS FOR 2011

The goals for the SMARA program for 2011 12 Fiscal Year include the following:

- Complete field inspections in August, the month during which SMARA field inspections shall take place every year, and submit inspection reports to the State Office of Mine Reclamation by October.
- Ensure full reclamation is completed at Azevedo quarry.
- Bring Permanente Quarry into full compliance with SMARA
- Commence the CEQA process for the proposed expansion of the Freeman Quarry.
- Continue on-going cooperation and consultation with the State Office of Mine Reclamation to ensure all staff efforts are in keeping with the standards contained in SMARA for review and approval of reclamation plans, conducting annual inspections, and annually reviewing financial assurance cost estimates
- Continue to develop and enhance staff skills in implementing SMARA.

2011 SMARA INSPECTION SCHEDULE

The County of Santa Clara plans to commence the 2011 SMARA inspections in August, which will include the annual FACE review. The schedule proposed for this year for both of these tasks is described below:

1. Field Inspection and Reporting

- Field Inspections: Week of August 15 through 19, 2011.
- Inspection Report Preparation: Complete by September 30, 2011.
- Final Inspection Report Mailed to OMR: October 14, 2011.

2. Review of Financial Assurance Cost Estimates:

- Revised FACE submitted by Operators to County by August 19, 2011.
- Review of FACE by County and Consultant:
August 29 through September 16, 2011.
- Comment letter by the County to mine operator regarding any corrections or revisions by September 23, 2011.
(If no revisions to FACE are required, the County will forward FACE to OMR for 45-day review.)
- Any FACE that requires revision should be submitted by the mine operator by October 21, 2011.
- Revised FACE to be reviewed by County and Consultant October 24 through November 4, 2011.
- Revised FACE, if found complete, submitted to OMR for 45-day review November 14, 2011.
- Final approval of FACE by County will be made following receipt of comments from OMR, or following close of the 45-day review period.