



**COUNTY OF PLACER**  
Community Development Resource Agency

**ENGINEERING  
&  
SURVEYING**

Michael Johnson, Agency Director

Wes Zicker  
Director of Engineering & Surveying

**MEMORANDUM**

**TO:** Honorable Board of Supervisors

**FROM:** Wes Zicker, Director  
Department of Engineering and Surveying, Community Development Resource Agency

**DATE:** December 14, 2010

**SUBJECT:** Zoning Text Amendment, Surface Mining and Reclamation (PZTAT20100224)  
Adoption of Inspection Fee

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**ACTION REQUESTED:**

Conduct a public hearing and:

1. Adopt an ordinance amending Section 17.56.270.E.2, to
  - a. Revise the amount of processed material subject to the State of California Surface Mining and Reclamation Act, and,
  - b. Add a new subsection (S) to Section 17.56.270 to provide for adoption of an annual inspection fee subject to automatic annual adjustments based on the Consumer Price Index (CPI).
2. Adopt a resolution to establish an annual inspection fee for active and inactive surface mining operations in Placer County.

**BACKGROUND:**

With oversight by the State of California Department of Conservation, Office of Mine Reclamation (OMR) and in conformance with the requirements of the Surface Mine and Reclamation Act (SMARA), Placer County acts as lead agency and administers and inspects surface mining activity on nine mines within the unincorporated areas of the County. See Exhibit B, Placer County Mines.

The Placer County Zoning Ordinance Section 17.56.270.E.2 exempts activities from the SMARA requirements if the operation for prospecting, extracting, and removal of overburden material is less than 250 cubic yards per year. Similarly, SMARA allows an exemption if these operations are less than 1000 cubic yards per year. If the Zoning Ordinance is changed to be consistent with the state requirements, any operations equal to or greater than 250 cubic yards, but less than 1000 cubic yards, will be exempted from Section 17.56.270 "Surface Mining and Reclamation", but still regulated by Section 15.48, "Grading, Erosion and Sediment Control". This change will make Placer County's ordinance consistent with the State's requirements.

Currently, Placer County staff spends about 130 hours per year overseeing mining operations on nine mines. Typical tasks include field inspections, reporting, reviewing financial assurance cost estimates, reviewing interim management plans and reclamation plans/amendments, and general correspondence. Although the County does not currently charge a fee for this service, staff has analyzed the typical costs associated with these tasks and determined that a fee of \$2,028 per year per active mine will be sufficient to cover staff time. Mines that have an approved application, but have not commenced mining activities will be considered inactive and due to the reduced work involved, will be subject to a reduced annual fee of \$531. See Exhibit A, Fee Study.

Staff notified all mine operators of the proposed code revisions and presented them to Placer Architects, Geologists, Engineers and Surveyors (P.A.G.E.S.), the Municipal Advisory Committees (MAC) that currently have mining activities within their district, and the Planning Commission. The Meadow Vista MAC, Foresthill Forum and Newcastle MAC heard the proposed amendment as an informational item. The Sheridan MAC heard the proposal as an action item, but voted unanimously to change it to an informational item. The Rural Lincoln MAC voted unanimously to take no action. Only the Newcastle MAC had a suggestion that staff consider two fees; one for active mines and another for inactive mines, which is included herein. On August 26, 2010, the Planning Commission took action to unanimously recommend approval to the Board of Supervisors. In addition, on September 1, 2010, the Building Industry Association (BIA) was notified of this proposal and to date has not commented.

Placer County, along with 56 other counties in California, has chosen to act as lead agency under the SMARA regulations. Placer County could decline its responsibility by rescinding section 17.56.270 "Surface Mining and Reclamation" of the Placer County Zoning Ordinance. If this were to occur, lead agency status would then be assumed by the State of California State Mining and Geology Board (SMGB) and would in turn create a significant financial impact on the mine operations the County currently oversees. Under SMBG administration, each mine subject to SMARA in the County would incur administration and inspection fees ranging from \$7,000.00 to over \$10,000.00 annually by the State, in addition to the \$3,400 to \$4,600 annual mine reporting fee that all mine operators currently pay to OMR.

A legal notice for this item was published in the Sacramento Bee newspaper. Other interested groups and all nine mine operators were sent copies of the public hearing notice. The proposed ordinance and the proposed resolution are attached. The fee would go into effect in sixty (60) days.

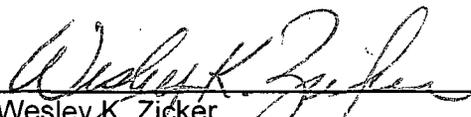
**ENVIRONMENTAL:**

The adoption and implementation of this ordinance amendment is Categorically Exempt from environmental review pursuant to the provisions of Section 15307 the California Environmental Quality Act Guidelines and Section 18.36.090 of the Placer County Environmental Review Ordinance (Class 7-Actions by regulatory agencies for protection of natural resources).

**FISCAL IMPACT:**

For the existing nine qualified mines in Placer County, approving this fee would require mine operators to pay for County staff time, thereby reducing the impact on the County's General Fund by about \$15,200.00 per year.

Respectfully submitted,

  
Wesley K. Zicker  
Director of Engineering & Surveying

- Attachments:  
Ordinance  
Resolution  
Exhibit "A" – Fee Study  
Exhibit "B" – Map of Placer County Mines

# Before the Board of Supervisors County of Placer, State of California

In the matter of: AN ORDINANCE  
AMENDING SECTION 17.56.270 OF  
ARTICLE 17.56 OF CHAPTER 17 OF  
THE PLACER COUNTY CODE TO  
INCREASE THE QUANTITY OF  
EXCAVATION TO BE SUBJECT TO  
SECTION 17.56.270 AND TO INCLUDE  
AN ANNUAL FEE SUBJECT TO  
AUTOMATIC ANNUAL ADJUSTMENTS

Ord. No: \_\_\_\_\_

First Reading: \_\_\_\_\_

The following ordinance was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held December 14, 2010, by the following vote:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chairman, Board of Supervisors

\_\_\_\_\_  
Kirk Uhler

Attest:  
Clerk of said Board

\_\_\_\_\_  
Ann Holman

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The Board of Supervisors of the County of Placer, State of California, does hereby ordain as follows:

**Section 1:** Subsection (E)(2) of Section 17.56.270 of Article 17.56 of Chapter 17 of the Placer County Code is hereby amended to read as follows:

E. **Exceptions.** The provisions of this section shall not apply to any of the following activities:

- 2. Prospecting for, or the extraction of, minerals for commercial purposes and the removal of overburden in total amounts of less than ~~two hundred fifty (250)~~ **one thousand (1000)** cubic yards in any one location of one acre or less, with the written consent of the surface right owner and consistent with applicable laws;

**Section 2:** Section 17.56.270 of Article 17.56 of Chapter 17 of the Placer County Code is hereby amended to add subsection (S), which shall read as follows:

S. **Administrative and Inspection Fee.** A fee of \$2,028 shall be paid by each active surface mining operation each year to review cost estimates, financial assurances, Interim Management Plans, and to conduct inspections. Mines that have an approved application, but have not commenced mining activities will be considered inactive and will be subject to a reduced annual fee of \$531. These fees shall be automatically adjusted annually on July 1<sup>st</sup> of each year. The annual adjustment shall be based on the State of California Division of Labor Statistics and Research, Consumer Price Index "For All Urban Consumers" for the preceding year (April of the prior year to April of the current year). These fees are annual fees that shall be paid prior to the County releasing a copy of the annual inspection report to the mine operator. In the event these operations are identified, conditioned and paid for under other entitlements such as a use permit, the Director may consider the fee required herein, in full or in part, satisfied.

**Section 3:** This ordinance shall take effect and be in full force and effect upon sixty (60) days after its passage. The Clerk is directed to publish this ordinance, or a summary hereof, within fifteen (15) days in accordance with Government Code Section 25124.

# Before the Board of Supervisors County of Placer, State of California

In the matter of:

Resol. No: \_\_\_\_\_

**A RESOLUTION ADOPTING A FEE PURSUANT  
TO SUBSECTION (S) OF PLACER COUNTY CODE  
SECTION 17.56.270 RELATING TO INSPECTIONS  
OF SURFACE MINING OPERATIONS**

The following **RESOLUTION** was duly passed by the Board of Supervisors of the  
County of Placer at a regular meeting held December 14, 2010, by the following vote:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chairman, Board of Supervisors

\_\_\_\_\_  
Kirk Uhler

Attest:  
Clerk of said Board

\_\_\_\_\_  
Ann Holman

**WHEREAS**, pursuant to subsection (S) of Section 17.56.270 of the Placer County Code the Board of supervisors may adopt a fee to reimburse the County for the costs of reviewing cost estimates, financial assurances, Interim Management Plans, and to conduct inspections for surface mining operations within Placer County, and

**WHEREAS**, the County has undertaken a study to determine such costs based upon the salary costs of County staff and the time spent by County staff on activities related to regulating surface mining operations within Placer County, and

**WHEREAS**, the County has determined a fee amount does not exceed the estimated reasonable cost of providing the service for which the fee will be utilized,

Resolution \_\_\_\_\_  
Adopting a Surface Mining Operation Inspection Fee

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Supervisors of the County of Placer does hereby adopt the following fees for inspection and regulation of surface mining operations within Placer County:

Active mines: \$2,028 per year  
Inactive mines: \$531 per year

**RESOLVED FURTHER**, by the Board of Supervisors of the County of Placer that said fees shall be automatically adjusted annually in accordance with subsection (S) of Section 17.56.270 of the Placer County Code, and

**RESOLVED FURTHER**, by the Board of Supervisors of the County of Placer that said fees shall take effect sixty (60) days from the date of adoption of this resolution.

# EXHIBIT A

## FEE STUDY: TOTAL HOURS 5/1/2009 - MAY 31/2010

TITLE	HOURS	\$/HOUR	TOTAL
JUNIOR ENGINEER	102	\$107	\$10,914.00
CIVIL ENGINEER ASSOCIATE	13	\$134	\$1,742.00
CIVIL ENGINEER ASSOCIATE	4.5	\$150	\$675.00
SENIOR CIVIL ENGINEER	1	\$154	\$154.00
ENGINEERING MANAGER	9	\$198	\$1,782.00
	<b>129.5</b>		<b>\$15,267.00</b>

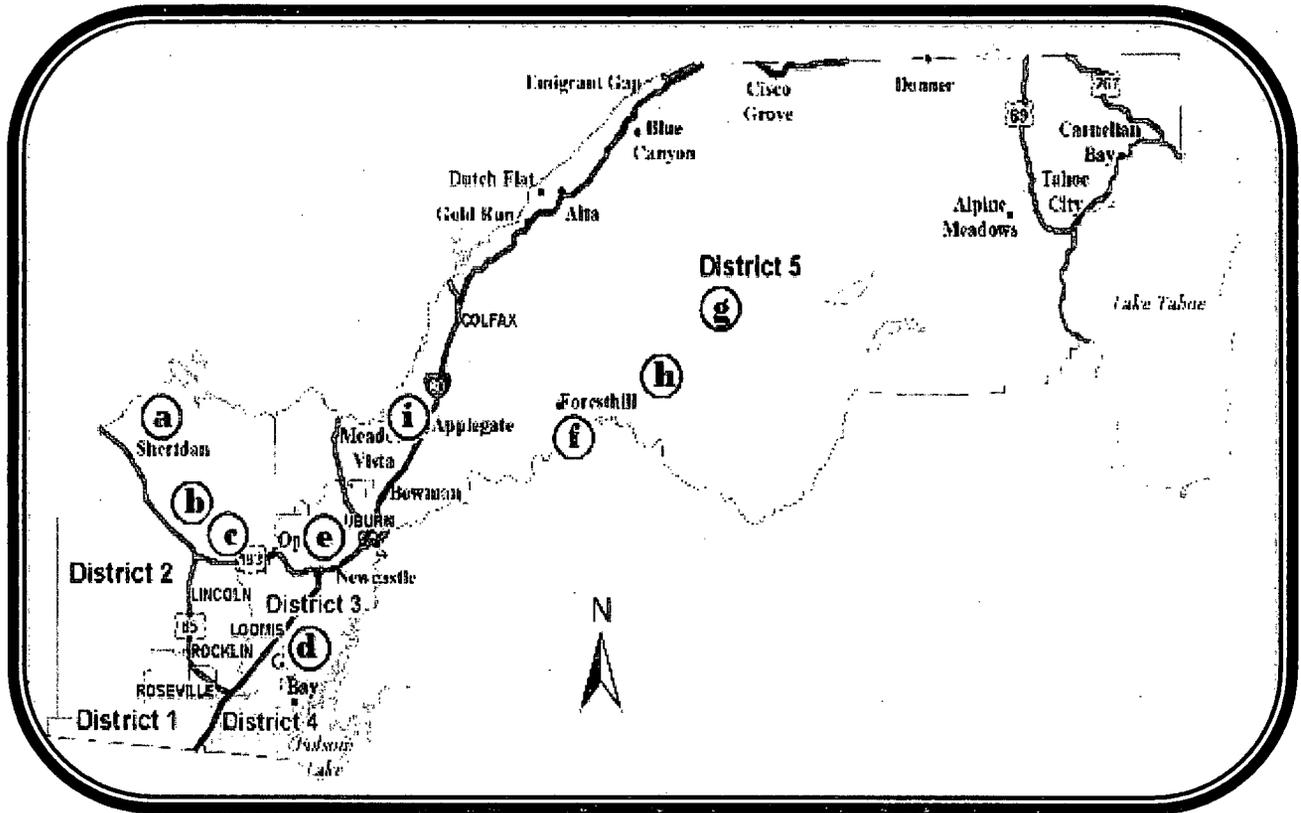
AVERAGE DOLLAR/HOUR/MINE IS  $\$15,267/129.5 = \$117.89$

2 IDLE MINES AT 4.5 HOURS/YEAR EACH      **\$531 INSP/REP**  
7 ACTIVE MINES AT 17.2 HOURS/YEAR EACH    **\$2,028 INSP/REP, FAM, FACE**

INSP/REP = INSPECTIONS AND REPORTING  
FAM = FINANCIAL ASSURANCE MECHANISMS  
FACE = FINANCIAL ASSURANCE COST ESTIMATES

# EXHIBIT B

## PLACER COUNTY MINES



- |                                     |   |
|-------------------------------------|---|
| a. CEMEX – Sheridan, active         | f. Red Ink Maid – Foresthill, active    |
| b. Lincoln Clay 1 – Lincoln, active | g. Black Canyon – Foresthill, inactive  |
| c. Lincoln Clay 2 – Lincoln, active | h. Hoffman Pitts – Foresthill, inactive |
| d. Richie Quarry – Penryn, active   | i. Chevreux – Meadow Vista, active      |
| e. Robinson Pit – Ophir, active     |   |