



Central Valley Regional Water Quality Control Board

4 April 2022

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COMMENTS ON DRAFT ENVIRONMENTAL IMPACT REPORT (EIR) IDAHO-MARYLAND MINE PROJECT, NEVADA COUNTY

Central Valley Regional Water Quality Control Board (Central Valley Water Board) staff reviewed the December 2021 Draft Environmental Impact Report (Draft EIR) Volume I of X (Chapters 1-8) for the Idaho-Maryland Mine Project (the Project). The Regional Water Quality Control Boards are delegated with the responsibility of protecting the quality of surface and groundwaters of the state.

Central Valley Water Board staff assumes that the project applicant, Rise Grass Valley, Inc., (Rise Grass Valley) will continue to proceed with County permits and authorizations prior to seeking the necessary approval/permits from the Central Valley Water Board. Therefore, our comments address the adequacy of the Draft EIR as a responsible agency and provide clarification of potential Central Valley Water Board concerns and regulatory requirements regarding water quality.

Central Valley Water Board staff have the following comments.

- 1. **Approach to Centennial Industrial Site Baseline**. Pages 1-3 through 1-7. The California Department of Toxic Substances Control (DTSC) is the lead regulatory agency for the Centennial Industrial Site Cleanup. Central Valley Water Board staff will assist DTSC with ensuring that the Centennial Industrial Site investigation and cleanup proceeds regardless of the status of the proposed Project.
- 2. RoWD and WDRs. Pages 2-78-81. As indicated in Table 2-1 Mitigation Measures 4.8-1(a), (b), (c), (d) and 4.8-1(e), Rise Grass Valley will need to obtain several different permits from the Central Valley Water Board prior to beginning operations. This includes a permit for the water treatment plant discharge via submittal of a Notice of Intent (NOI) and obtaining a Notice of Applicability (NOA) in the Limited Threat Discharge Permit, submittal of a Report of Waste Discharge (RoWD) and obtaining Waste Discharge Requirements (WDRs) for both the surface impoundment and construction of the engineered fill areas prior to

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discharging any mining waste¹, and submitting a NOI for coverage under the Industrial General Permit and prepare a Industrial Stormwater Pollution Prevention Plan. After receipt of the NOIs and RoWDs, Central Valley Water Board staff will evaluate the documents and their applicability for the appropriate permits when they are submitted. The Central Valley Water Board may require modifications to the water treatment system, surface impoundment and mining operations as well as monitoring to ensure the protection of water quality. All permitting requirements are expressly noted in the Draft EIR as mitigation measures. Under Water Code §13263.1, the Central Valley Water Board must determine that the proposed mining waste discharge is consistent with a waste management strategy that prevents the pollution or contamination of the waters of the state, particularly after closure of any waste management unit for mining waste, before issuing any permits.

3. Ongoing Waste Characterization. Under Water Code §13260(k), the RoWD must also include a report on the physical and chemical characteristics of the waste that could affect its potential to cause pollution or contamination as well as a report that evaluates the potential of the discharge of the mining waste to produce, over the long term, acid mine drainage, the discharge or leaching of heavy metals, or the release of other hazardous substances. The WDRs will require continuous and routine characterization and classification (Cal. Code Regs., Tit. 27 §22480(b)) of the mining waste to evaluate any possible changes in the geological or geochemical nature of the waste. Rise Grass Valley will need to address any changes in waste classification.

Central Valley Water Board staff anticipate that to comply with Water Code §13260(k) and ensure protection of water quality as part of the RoWD/WDR process, the Central Valley Water Board will require Rise Grass Valley to prepare and implement a Waste Characterization Plan (Characterization Plan) comparable to the ASUR Plan² identified in the Draft EIR. The purpose of the Characterization Plan is to continually evaluate the different forms of mining wastes and to appropriately classify these wastes as Group A, Group B, or Group C based on an assessment of the potential risk of water quality degradation posed by each waste. Through the WDRs, these wastes will be required to be managed, treated, stored, or disposed of in a manner that is protective of water quality.

¹ The Mining Waste Management Regulations define "mining waste" as "waste from the mining and processing of ores and mineral commodities. Mining waste includes: (1) overburden; (2) natural geologic material which have been removed or relocated but have not been processed (waste rock); and (3) the solid residues, sludges, and liquids from the processing of ores and mineral commodities." Cal. Code Regs., tit. 27, § 22480(a).

² Asbestos, Serpentinite, and Ultramafic Rock Management Plan (ASUR Plan). See page 3-19 of the Draft EIR.

During the RoWD/WDR process, the Central Valley Water Board will establish the specific methods, volumes, and frequency of characterization and determine the appropriate requirements for the WDR.

4. Engineered Fill. Page 3-29 of the Draft EIR indicates that mining waste used as engineered fill would be considered a Group C mining waste. The language leaves the reviewer with the impression that because mining waste is used as engineered fill, it is considered a Group C mining waste. This is not correct. Mitigation Measure 4.8-1(e) provides a better summation of the accepted regulatory approach.

Sand tailings, waste rock, backfill material, or other combinations being proposed for engineered fill will need to be characterized as Group C mining waste (e.g. page 4.8-50) prior to its use as engineered fill. Rise Grass Valley will need to characterize and classify mining waste in its correct California Code of Regulations Title 27 waste group, which will dictate how the waste must be managed, contained, or used. <u>The Draft EIR should be revised to address this comment</u>.

5. Off-Site Sales of Waste Rock. Page 1-7 of the Draft EIR states that "...this EIR anticipates that waste rock from the Brunswick Industrial Site could also be sold as engineered fill to local and regional markets to be used as aggregate in roadway and construction projects. For mining waste to be used for off-site purposes, Rise Grass Valley would first need to confirm that the waste would not pose a threat to water quality or that the potential threat to water quality could be mitigated (Cal. Code Regs., Tit. 27 §22480(c) and §22480(d)) for its proposed use. Rise Grass Valley will need to use the anticipated Characterization Plan to address this issue.

Central Valley Water Board staff is somewhat concerned with the general assumption in the Draft EIR that a significant volume of the mining waste produced during the life of the Project will be suitable for off-site sale and use in local and regional markets as construction aggregate with limited regulatory restrictions (i.e., Group C mining waste). While the geochemical nature of the mining waste may prove to be suitable for construction aggregates, the alternative scenario that the mining waste is not suitable for off-site use should be examined. How would this affect the economic or operational aspects of the

³ The use of mining waste as engineered fill is proposed for potential industrial pad development at the Centennial and Brunswick Industrial sites (Draft EIR, page 1-2) for the first 10-11 years of the Project and for local and regional markets for sale as construction aggregate and fill (Draft EIR, page 1-3) for the remainder of the Project.

Project? Rise Grass Valley should assess any operational constraints, such as not mining geological material that may produce water quality issues, challenges associated with the expanded use of cemented paste backfill⁴ as a method of waste disposal, and the anticipated operational or economic costs resulting from the inability to utilize mining waste for off-site sale as construction aggregate. The Draft EIR should be revised to address this comment.

- 6. Clay Lined Settling Pond. The Draft EIR indicates that the existing clay lined pond can be covered with a geomembrane liner to ensure seepage does not occur from the pond (Draft EIR, pages 2-79 and 3-17). While this proposal may meet minimum California Code of Regulations Title 27 prescriptive standards, it may not meet the potentially more stringent California Code of Regulations Title 27 performance standards. The Central Valley Water Board may require a more stringent design in a case where it concludes that the minimum design will not provide adequate protection to a given body of groundwater. The Central Valley Water Board will address this issue during the RoWD/WDR phase.
- 7. Water Quality Specific Financial Assurances. While the Draft EIR references requirements for California's Surface Mining and Reclamation Act (SMARA) financial assurance(s), there will be water quality specific financial assurances for closure and post-closure maintenance of mining units as required by Title 27, section 22510. Although there is some discussion of potential overlap between the SMARA financial assurances (Draft EIR, page 4.8-30), water quality specific financial assurances will focus on water within the mine workings, groundwater, and mine water that ultimately discharges from the Project after mine closure. This may include the need for long-term water treatment of mine-related discharges. These financial assurances are separate and distinct from the SMARA financial assurances discussed in pages 3-42, 3-47, 4.8-30, and 4.9-20. This issue will be addressed during the RoWD/WDR phase.
- 8. **Temporary or Short-Term Shutdowns.** Staff could not locate a discussion in the Draft EIR of temporary or short-term shutdown plans (Short-Term Shutdown Plan). Rise Grass Valley should anticipate temporary or short-term shutdowns over the life of the Project due to changes in economic conditions, technical issues, changes in management, etc. The WDRs will require that Rise Grass Valley prepare a Short-Term Shutdown Plan that identifies mitigation measures to protect water quality and the environment. The plan will include financial assurances to ensure that there are adequate funds to perform basic operations and maintenance until mining resumes or closure takes place.
- Staff could not locate a discussion in the Draft EIR on how the applicant intends to address/mitigate/ or take responsibility for any post-mining water quality issues. The Draft EIR should be revised to address anticipated post-mining

⁴ Cemented paste backfill may/could be considered treatment under Title 27, section 22480(d).

water quality issues and whether the mine will require long-term oversight to ensure water quality conditions comply with applicable regulatory requirements.

10. The Low-threat permit referenced throughout the Draft EIR has been rescinded. General Waste Discharge Requirements/NPDES Permit for Limited Threat Discharges to Surface Waters, Order R5-2022-0006/NPDES Permit No. CAG995002 was adopted on 17 February 2022.⁵

Please contact Jeff Huggins at (916) 464-4639 or Jeff.Huggins@waterboards.ca.gov with any questions regarding the contents of this letter. We are available to meet with you if you would like to discuss applicable Water Board requirements or potentially applicable permits.

John Baum, P.E.

Assistant Executive Officer

cc: (by email only)

Ben Mossman, Chief Executive Officer Rise Grass Valley

⁵ R5-2022-0006 Limited Threat Discharges to Surface Water - General Order (ca.gov)