

CHAPTER 1.0

Introduction

This Master Environmental Assessment (MEA) evaluates Idaho-Maryland Mine Company's (IMMC) proposed project to reopen the historic Idaho-Maryland Mine for gold mining and to operate a ceramics plant that would produce a variety of marketable ceramic tile products from mine waste product. The Idaho-Maryland Mine project site (project site) encompasses a total of 146 acres of land within the City of Grass Valley and unincorporated Nevada County. Three properties comprise the project site: (1) the Idaho-Maryland site (101 acres); (2) the New Brunswick site (37 acres); and the Round Hole site (8 acres). As part of the proposed project, IMMC has submitted applications to annex the Idaho-Maryland site into the City of Grass Valley, amend the City of Grass Valley's General Plan to accommodate the proposed use of the Idaho-Maryland site, and to zone the Idaho-Maryland site to be consistent with the proposed General Plan amendment and the proposed use of the site. The Exploration and Mining Use Permit application includes the following:

- Formal Development Review Application,
- Mineral Project Application (Use Permit/Mining Permit/Reclamation Plan),
- General Plan Application,
- Rezone/Prezone Application, and
- Annexation Application.

The MEA is the first part of a three phase environmental review process and has been prepared pursuant to the applicable provisions of the California Environmental Quality Act (CEQA) and its implementing guidelines (CEQA Guidelines). The City of Grass Valley (City) is the lead agency for the CEQA process. Subsequent to publication of this MEA, the City expects to proceed with the remaining two phases of the environmental review process:

Phase 2: Notice of Preparation and Initial Study (NOP and IS)

Phase 3: Environmental Impact Report (EIR).

1.1 Master Environmental Assessment

The CEQA Guidelines define the general purpose of an MEA as an informational document which may contain an inventory or database for all or a portion of the territory for which a public agency has control, and which may be used or referenced in EIRs or Negative Declarations. Common uses of an MEA are to identify the environmental characteristics and constraints of an area, and to provide information which agencies can use in initial studies to decide whether certain environmental effects are likely to occur and whether certain effects will be significant. In

all cases, an MEA is an informational document and is not a decision document that needs to be certified or adopted by a lead agency.

The purpose of this MEA is to:

- Review existing data and technical information regarding the property and the proposed mine and ceramics plant construction and operations;
- Evaluate the adequacy of this information to support the City of Grass Valley's independent environmental impact assessment of the proposed project, and
- Determine whether supplemental data gathering and analysis are required to satisfy CEQA requirements.

The MEA process included identification and gathering of existing information and reports. As the lead consultant, Environmental Science Associates (ESA) and its specialty subconsultants (*see Section 5, Report Preparers*) conducted an independent peer review of applicable studies and reports, and identified data gaps and deficiencies. During this review phase, an inventory of regulatory requirements and a review of applicable City of Grass Valley and Nevada County plans and policies was also undertaken.

This MEA has been prepared in the format of an "expanded" Initial Study using the Environmental Checklist found in Appendix G of the CEQA Guidelines. For each resource area, the potential impacts of the proposed project were assessed using the existing application documents and other available data and studies. For some resource areas (e.g., biological resources, cultural resources, noise, etc.), limited field reconnaissance and/or desk-top calculations were conducted to support the assessment or to determine if more rigorous studies would be required to support a full CEQA analysis.

As part of the MEA process, the City has held two community workshops for the public and one meeting for interested agencies. On January 25, 2006, the City held two community workshops to solicit public comments on the proposed project. The workshops were held to identify issues that should be considered for evaluation as part of the environmental review process. The workshops were held at Veterans Memorial Hall located at 255 South Auburn Street in Grass Valley, California. The format and content of the two workshops was identical; two different time slots (one in the afternoon and one in the evening) were provided to accommodate the different schedules of the public. At the workshops, City staff and the City's environmental consultant provided a brief presentation of the proposed project and described the three-phased approach for assessing the environmental issues. After the presentation, the City's consultants were available at several breakout tables to discuss specific topics or issues of interest. Comment forms were available to be filled out at the meeting or submitted to the City after the meeting.

On February 28, 2006, the City hosted an agency workshop for the proposed project in the Hullender Room at the Grass Valley City Hall, 125 East Main Street, Grass Valley, California. The purpose of the meeting was to introduce the project to local and state agencies and discuss the City's approach for the three-phased environmental review process. The City plans to hold a

formal scoping meeting later; however, because of the nature and complexity of this project, the City was interested in providing interested agencies with an opportunity to meet with the City and become familiar with the project.

1.2 Notice of Preparation and Initial Study

After publication of the MEA, the applicant (IMMC) will have the opportunity to incorporate changes to its application and/or project description to lessen or avoid potentially significant impacts identified in the MEA. After the project applicant has made any changes to the project, the City's environmental consultant will proceed with preparation of an Initial Study. A Notice of Preparation (NOP) and the Initial Study will be released and will be available for public review and comment for 30 days. During the 30-day review period, the City will conduct public and agency scoping meetings to solicit input on the potential environmental effects of the proposed project and recommended mitigation measures and alternatives. At the end of the 30-day review period, public and agency comments will be reviewed and a scoping report will be prepared. Public and agency comments will then be considered in Phase 3, preparation of an EIR.

1.3 Environmental Impact Report

CEQA requires that, before a decision can be made by a state or local government agency to approve a project with potentially significant environmental effects, an EIR must be prepared that fully describes the environmental effects of the project. The EIR is an informational document for use by governmental agencies and the public. It is intended to identify and evaluate potential environmental consequences of the proposed project, to identify mitigation measures that would lessen or avoid significant adverse impacts, and to examine feasible alternatives to the project. The information contained in the EIR is reviewed and considered by the lead agency prior to its action to approve, disapprove, or modify the proposed project.

An EIR will be prepared for this project to inform the City, responsible and trustee agencies, and the public, of the proposed project's environmental effects. The EIR is intended to publicly disclose those impacts that may be significant and adverse, identify the possible measures that would mitigate or avoid such impacts, and describe a reasonable range of alternatives to the project. The EIR consists of two documents: 1) a Draft EIR and, 2) a Response to Comments document that addresses comments received on the Draft EIR. Together, these two documents would comprise the Final EIR for the proposed project.

Draft Environmental Impact Report

During preparation of the Draft EIR, comments received during the Initial Study 30-day review period will be considered. The Draft EIR will be prepared pursuant to CEQA and its implementing CEQA Guidelines. The Draft EIR will be published and circulated for review and comment by the public and other interested parties, agencies, the State Clearinghouse, and organizations for a 45-day review period. During this 45-day review period, a public hearing on

the Draft EIR will be held. The public will be invited to attend the hearing and to offer comments on the Draft EIR.

Response to Comments / Final Environmental Impact Report

Following the public review, responses to all comments received on the adequacy of the Draft EIR and submitted within the specified 45-day review period will be prepared and included in a response to comments document, which together with the Draft EIR, will constitute the Final EIR for the project. The Final EIR will be circulated for public and agency review for at least 10 days prior to a public hearing where the City of Grass Valley Planning Commission and City Council will decide whether or not to certify the document as compliant with CEQA.