

STATE OF CALIFORNIA
Budget Change Proposal - Cover Sheet
 DF-46 (REV 08/15)

Fiscal Year 16-17	Business Unit 3790	Department Department of Parks and Recreation	Priority No. 7
Budget Request Name 3790-007-BCP-DP-2016-GB		Program 2840	Subprogram

Budget Request Description
 Hazardous Mine and Mill Materials Remediation

Budget Request Summary

The Department of Parks and Recreation (Department) requests one-time funding of \$1,222,000 from the State Parks and Recreation Fund for permit monitoring, study, evaluation, alternative analysis, and implementation of remedial actions to abate contamination resulting from historic mining activities at Malakoff Diggins State Historic Park. Malakoff Diggins State Historic Park is currently under order issued by the Central Valley Regional Water Quality Control Board to protect human health, the environment, and waters of the State.

Requires Legislation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Code Section(s) to be Added/Amended/Repealed	
Does this BCP contain information technology (IT) components? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>If yes, departmental Chief Information Officer must sign.</i>	Department CIO	Date

For IT requests, specify the date a Special Project Report (SPR) or Feasibility Study Report (FSR) was approved by the Department of Technology, or previously by the Department of Finance.

FSR SPR Project No. Date:

If proposal affects another department, does other department concur with proposal? Yes No
Attach comments of affected department, signed and dated by the department director or designee.

Prepared By Daniel Millsap	Date 12-31-15	Reviewed By <i>Jordan Bourgin</i>	Date 12-31-15
Department Director <i>[Signature]</i>	Date 12-31-15	Agency Secretary <i>[Signature]</i>	Date 12/31/15

Department of Finance Use Only

Additional Review: Capital Outlay ITCU FSCU OSAE CALSTARS Dept. of Technology

CP Type: Policy Workload Budget per Government Code 13308.05

PPBA	Original Signed by Amanda Martin	Date submitted to the Legislature 1-8-16
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BCP Fiscal Detail Sheet

BCP Title: Hazardous Mine and Mill Remediation

DP Name: 3790-030-BCP-DP-2016-GB

Budget Request Summary

FY16

	CY	BY	BY+1	BY+2	BY+3	BY+4
Operating Expenses and Equipment						
5340 - Consulting and Professional Services -	0	650	0	0	0	0
539X - Other	0	556	0	0	0	0
570 - Internal Cost Recovery	0	15	0	0	0	0
Total Operating Expenses and Equipment	\$0	\$1,221	\$0	\$0	\$0	\$0
Total Budget Request	\$0	\$1,221	\$0	\$0	\$0	\$0

Fund Summary

Fund Source - State Operations						
0392 - State Parks and Recreation Fund	0	1,221	0	0	0	0
Total State Operations Expenditures	\$0	\$1,221	\$0	\$0	\$0	\$0
Total All Funds	\$0	\$1,221	\$0	\$0	\$0	\$0

Program Summary

Program Funding						
2840 - Support of the Department of Parks and	0	1,221	0	0	0	0
Total All Programs	\$0	\$1,221	\$0	\$0	\$0	\$0

Analysis of Problem

A. Budget Request Summary

The Department of Parks and Recreation (Department) requests one-time funding of \$1,222,000 from the State Parks and Recreation Fund for permit monitoring, study, evaluation, alternative analysis, and implementation of interim remedial actions to abate contamination resulting from historic mining activities at Malakoff Diggins State Historic Park (SHP). Malakoff SHP is currently under order issued by the Central Valley Regional Water Quality Control Board to protect human health, the environment, and waters of the State. The Department does not currently have the resources to comply with the order. Work will also include resource evaluations critical to the development of alternatives, in consideration of the historical significance of the park.

B. Background/History

Malakoff Diggins SHP is a Historic Park Unit and is subject to Public Resources Code 5024, which states, "each state agency shall formulate policies to preserve and maintain, when prudent and feasible, all state-owned historical resources under its jurisdiction listed in or potentially eligible for inclusion in the National Register of Historic Places or registered or eligible for registration as a state historical landmark pursuant to Section 5021". Malakoff Diggins is, in fact, listed on the National Register of Historic Places and subject to Secretary of the Interior's Standards for Historic Preservation. The North Bloomfield Historic District at Malakoff Diggins SHP is a National Historic Landmark; by direct association, the Diggins Pit itself could be considered a significant contributing historic feature. Proposed remedial solutions may impact protected cultural resources and put the park at risk of delisting. In light of this, the Department has initiated a park-wide cultural resource inventory, which is the first step to better understand the vast resources at the park and provide a baseline for determining impacts.

As a result of historic mining activities and operations, there are environmental hazards that violate the Clean Water Act at the park. The Central Valley Regional Water Quality Control Board has issued Waste Discharge Requirements to Malakoff Diggins SHP. Funding in this proposal will help the Department move toward compliance with this order.

C. State Level Considerations

This proposal meets both the Department's Core Program Elements of Public Safety and Recreation, by providing for public health and safety, and Cultural and Natural Resource Protection, by addressing resource impacts.

D. Justification

As a result of historic mining activities and operations, Malakoff Diggins SHP contains environmental hazards that violate the Clean Water Act. The Central Valley Regional Water Quality Control Board has issued Waste Discharge Requirements to Malakoff Diggins SHP. Funding in this proposal will help the Department move toward compliance with the order.

Implementation of these measures is critical to the protection of public health and safety, the environment, waters of the State, and the protection of diverse natural and cultural resources on both State Park land and adjacent properties. These measures will position the Department for successful compliance with the order.

E. Outcomes and Accountability

In order to implement the work in this proposal, a consultant contract will be executed to provide the necessary expertise to satisfy the Order. Management of the contract and general oversight will be provided by the Department's Acquisition and Development Division, along with coordination and support from the Department's Park Operations Division.

Analysis of Problem

F. Analysis of All Feasible Alternatives

Alternative 1: Approve this proposal as described. The Department seeks one-time funding of \$1,222,000 from the State Parks and Recreation Fund. This alternative will allow the Department to move towards compliance with the order in order to provide for public health and safety and protect the natural and cultural resources of both Parks and adjacent areas.

Alternative 2: Fund this request at a lower level. This would result with the department prioritizing based on available funding and resources. Failure to fully fund this request would prolong the Department's violation of the order, resulting in continued exposure to fines and third-party lawsuits.

G. Implementation Plan

Due to potential impacts to public health and safety, waters of the State, and natural and cultural resources, it is crucial that this proposal be effective July 1, 2016, so that the Department may take the first steps towards compliance with the Order.

H. Supplemental Information

None.

I. Recommendation

Alternative 1: Approve this proposal as described. The Department seeks one-time funding of \$1,222,000 from the State Parks and Recreation Fund. This alternative will allow the Department to take the necessary steps towards regulatory compliance, as well as limit exposure to third-party lawsuits based on this non-compliance.