

Despite fines, illegal gold mining persists in El Dorado County

Susanne Rust, California Watch, 9-13-11

Despite notices from the state and at least \$100,000 in fines so far, a small team of outlaw miners is continuing to illegally excavate an abandoned gold mine near Placerville in El Dorado County.

“Not only did they not adhere to the original violations cited against them,” said Stephen Testa, executive officer of the State Mining and Geology Board, “but they have expanded their operations.”

The team includes Joseph and Yvette Hardesty of Elk Grove. The couple owns a company called Hardesty Sand and Gravel.

It also includes Richard Churches. Information about Churches was not readily available.

The Hardestys did not return calls for comment, and Churches could not be located.

According to Testa, the team has returned certified letters and notices of violation to the state unopened and ignored fines levied by the State Mining and Geology Board. And the mining at Big Cut Mine continues.

Last week, the team was called to appear in front of the state’s board and didn’t show.

Big Cut was historically mined for gold but was abandoned during World War II when the federal government ordered its closure. The Hardestys and Churches bought the property in 2006.

Asked whether the record price of gold could explain the team’s outright violation of state orders, Testa said he couldn’t speculate. He said the team had been violating state and local laws for years by not getting proper permits or permission to mine.

“Sometimes, it’s easier to ask for forgiveness than it is to ask for permission,” said Don Drysdale, spokesman for the state’s Department of Conservation, which oversees surface mining.

He said that as far he knows, there hasn’t been an uptick in illegal surface mining across the state.

“Unfortunately, we don’t have a large police force looking for this kind of stuff,” he said. So the department must rely on citizen reports or observations from other state agencies.

Gold is currently selling for more than \$1,800 an ounce.

This latest string of violations was brought to the attention of the state board in April, when the Department of Fish and Game informed the mining agency that surface mining activity at Big Cut Mine had resulted in sediment getting dumped into nearby Weber Creek.

Staff from the two agencies went to check out the site two days later and confirmed the site was being mined.

A spokeswoman for the Department of Fish and Game confirmed the report, but was unable to provide more detailed information.

A notice of violation was sent to the Hardestys and Churches in April, and the letters were returned unopened. The notices were then hand-delivered in May, Testa said.

Jim Hutchings, Sacramento chapter president of the Gold Prospectors Association of America, said interest in the mineral has definitely increased over the past couple of years. He said he gets at least two inquiries a week from retirees or people who've recently lost their jobs looking for information about how to find and prospect for gold.

Asked about Big Cut Mine, Hutchings said it was unlikely that a strategy of violating the law would pay off in the end.

"You rack up all the penalties and fines, and there's a point of diminishing returns," he said, no matter how high the price of gold gets.

"Unless, of course, they have an investor or someone waiting in the wings who will pay off the fines and make the mine whole," he said.

Testa, the executive officer of the state's mining board, said the next move by the state will occur Oct. 13 at the board's public meeting. The board could charge up to \$5,000 per day, per violation from the day the first violation notice was sent May 5.