EXHIBIT G – ENVIRONMENTAL IMPACT REPORT ALTERNATIVES SUMMARY

The Draft and Final Environmental Impact Report (EIR) evaluated a range of alternatives to the Proposed Project, including a reduced acreage alternative and an enhanced reclamation alternative. The alternatives analysis also considered the No Project Alternative as required by the California Environmental Quality Act (CEQA). Each of the alternatives is summarized below.

Alternative 1: Reduced Acreage Alternative

The Reduced Acreage Alternative modifies the Proposed Project by reducing the total acreage to be disturbed, thus reducing impacts to biological resources, including disturbances to oak woodlands, and providing additional buffer areas to portions of the Salinas River along the northern boundary of the Proposed Project site. This alternative would reduce the amount of aggregate available for sale and would shorten the operational life of the Proposed Project. The Reduced Acreage Alternative would retain Phase I and Phase II of the Proposed Project expansion but would eliminate Phases III and IV, see Figure 5 of Exhibit E. Eliminating Phases III and IV of the proposed expansion would subtract out the use of approximately 23 acres of the proposed excavation area and reduce the estimated life of the Proposed Project by about 27 years, thereby beginning the reclamation process approximately 27 years early. Eliminating Phases III and IV of the quarry would reduce the production of the Proposed Project by over 14,200,000 tons which represents more than one-third of the Proposed Project's aggregate production. This alternative would not require altering the processing equipment or infrastructure installed during Phase II but would eliminate the need to relocate the primary crusher and conveyor as potentially required for Phases III and IV.

Alternative 1 is expected to be technically feasible because it would retain the expansion and operation plans for Phases I and II as proposed by the Applicant. However, the economic feasibility of this alternative is unknown at this time.

In comparison to the Proposed Project, the Reduced Acreage Alternative would be anticipated to result in a commensurate reduction in the time needed for final reclamation. However, the same types of activities would still be required and result in the same severity of impacts. Consequently, this alternative would not reduce the number or intensity of any of the impacts associated with the Proposed Project during proposed Phase V. No impacts or less than significant impacts (Class III) would occur. However, the shortened duration of these impacts would be considered a net benefit in comparison to the Proposed Project.

The Reduced Acreage Alternative would reduce the Proposed Project's aggregate production by over 14,200,000 tons, which represents more than one-third of its planned production. This reduction would occur after 32 years of continued quarry operation, and could cause future aggregate demand over the remaining 27years of the Proposed Project's lifetime to be either imported from outside of the County, or otherwise replaced by a new quarry within the County. Either of these scenarios would be expected to generate the same types of impacts as described for the No Project Alternative, as described in EIR Section 6.2, including potentially significant and unavoidable impacts (Class I). Additionally, the importation of aggregate materials from outside of the County would conflict with the Conservation and Open Space Element (COSE) by reducing the economic benefits of producing and selling aggregate materials within the County.

Alternative 2: Enhanced Reclamation Alternative

Alternative 2 would retain the Proposed Project's expansion plan and operations. It would incorporate expansion of the quarry into Phases I through IV, including the estimated total amount of aggregate production. However, this alternative would revise the design of the Proposed RPA to enhance the biological function of the site after the operational phase of the Proposed Project is complete; and reduce the visual impacts of the quarry by treating the exposed rock surfaces visible from State Route 58.

The Proposed RPA would be revised to establish final benches on all sides of the perimeter of the quarry except for the northwestern cut face during Phase I. During this phase, the Enhanced Reclamation Alternative would therefore alter the eastern perimeter of the quarry footprint to allow for increased wildlife use and enhanced biological functions of the reclaimed excavation pit after the quarry is reclaimed. The following revisions to the Proposed RPA would be made:

The Enhanced Reclamation Alternative would be feasible because it would not change the expansion and operational plans of the Proposed Project. The economic feasibility of this alternative is unknown at this time.
The Enhanced Reclamation Alternative would not be expected to change the number or severity of any other impacts associated with the Proposed Project because the resulting changes to final reclamation activities that would occur would be relatively minor. However, this alternative's potential to improve site drainage and reduce onsite erosion could benefit surface water quality. This benefit would not, though, be expected to reduce the severity of Impact HYD1 to less than significant, as addressed in EIR Section 4.15 (Surface Water Quality and Supply), and Mitigation Measure HYD-1.1 (Prepare and Implement Site-Specific SWPPP) would still be required (Class II).

Alternative 3: No Project Alternative

Section 15126.6(e) of the State CEQA Guidelines requires an EIR to consider a No Project Alternative. The analysis of the No Project Alternative must discuss the existing conditions at the time the Notice of Preparation was published (June 20, 2013), as well as "what would be reasonably expected to occur in the foreseeable future if the project were not approved, based on current plans and consistent with available infrastructure and community services" (State CEQA Guidelines Section 15126.6(e)(2)). The requirements also specify that "If disapproval of the project under consideration would result in predictable actions by others, such as the proposal of some other project, this 'no project' consequence should be discussed" (State CEQA Guidelines Section 15126.6 (e)(3)(B)).

Under the No Project Alternative, the Santa Margarita Quarry would continue to operate under its existing conditions. The quarry's existing entitlements and approved reclamation plan are described in EIR Section 2.4.2 (Existing Entitlements and Approved Reclamation Plan) and would not change under the No Project Alternative. The 1981 Reclamation Plan would remain in place. Under the facility's existing entitlements the quarry may produce up to 700,000 tons of crushed aggregate and granite per year and load a maximum of 294 trucks (e.g., round-trip truck trips) per day. It is estimated that approximately 11.7 million tons of entitled mining reserves remain under the quarry's existing CUP. The 1981 Reclamation Plan estimated the life of operation of the quarry at 40 years. However, in 2005, the County granted an administrative

amendment to the 1981 Reclamation Plan which allowed for steeper final slopes within the quarry, which added reserves while retaining the existing reclamation goals for the site. Phase I of the Proposed Project overlaps with the boundaries of the 1981 Reclamation Plan area. The Applicant has estimated the work period of Phase I would be approximately 19 years. Figure 1 of Exhibit E provides the boundaries of the existing quarry and its related 1981 Reclamation Plan, and Figure 2 provides a map of the existing facilities and features associated with the quarry. These facilities would remain in their current state under the No Project Alternative.

The No Project Alternative would be a feasible alternative because it would retain the current operating parameters of the existing quarry.

Development of new aggregate mining project with the County would be highly likely to result in a substantially great number of indirect and direct impacts to the Proposed Project primarily because any such new development would not only require surface disturbance of the total acreage of the proposed expansion area, but also new surface disturbances associated with the land (e.g., acreage) needed for support facilities, such as office buildings, product washing and crushing facilities, etc. (see Figure 4 of Exhibit E and Table 2.5-2 from the Draft EIR for examples of the types of facilities that would be required in addition to the excavation area itself). Direct and indirect effects of a new facility would be reasonably predicted to include aesthetics, air quality, greenhouse gas emissions, biological resources, noise and vibration, transportation and circulation, and water quality and supply. Other potential impacts that could occur principally involve conflicts with: agricultural resources and other existing land uses; cultural and paleontological resources; geology, soils and mineral resources; and, hazards and hazardous materials. Although it would be speculative to forecast the severity of these impacts, based upon the conclusions of this EIR, it is reasonably forecast that the net increase in total ground disturbance associated with a new quarry would result in impacts greater than those associated with the Proposed Project, and could also result in more than one significant and unavoidable impact, particularly as related to aesthetics, air quality, and transportation and circulation, noise and vibration, and cumulative effects, as demonstrated in the impact conclusions of the Draft EIR prepared for the proposed Oster/Las Pilitas Quarry (URS Corporation, 2013).

Future reliance on the production of high quality aggregate material from other existing quarry's within or outside of the County would require additional truck mileage to import such materials to construction sites. This added mileage would result in increased air quality and GHG emissions both locally and regionally, which could exceed adopted rules, thresholds and policies. Under this circumstance, impacts would be significant and unavoidable, and, therefore, would not meet CEQA's intended purpose for the evaluation of alternatives, which is to reduce one or more of a project's significant adverse effects. The Proposed Project, as outlined in EIR Sections 4.4 (Air Quality) and 4.5 (Greenhouse Gas Emissions), would not generate significant and unavoidable impacts associated with air quality and GHG emissions. Additionally, as noted in EIR Section 2.2 (Overview of Aggregate Demand), there is an estimated 68 percent deficit in the regional demand for aggregate materials over the next 42-year period (based on 2006 projections). Consequently, it is reasonably foreseeable that imports that would need to come from greater distances away from the County, which would further exacerbate impacts related to truck-related emissions, both locally and regionally. The importation of aggregate materials from outside of the County would also conflict with the COSE by reducing the economic benefits of producing and selling such materials within the County.

Alternative Conclusions

The Reduced Acreage Alternative (Alternative 1) would result in the greatest number of environmental benefits of all of the alternatives evaluated due to the shortened duration of the quarry's operational lifetime (27 years in comparison to 59 years for the Proposed Project and the Enhanced Reclamation Alternative [Alternative 2]). Although this alternative would not lessen or eliminate any of the impacts associated with the Proposed Project, the reduced operational life of the quarry would cause the impacts associated with air quality, biological resources, GHG emissions, noise and vibration, and transportation and circulation to cease 32 years earlier than either the Proposed Project or the Enhanced Reclamation Alternative (Alternative 2), which would, in total time elapsed, represent an approximate 54 percent decrease in the duration of all impacts. The Proposed Project's one significant and unavoidable impact (Impact NS-1 [Implementation of the Proposed Project would generate noise levels in excess of County standards or would result in a substantial temporary or permanent increase in ambient noise levels]) would still occur.

The Enhanced Reclamation Alternative (Alternative 2) would be preferential in comparison to either the Proposed Project or the Reduced Acreage Alternative (Alternative 1) for aesthetics and visual resources and biological resources. However, as with Alternative 1, the Enhanced Reclamation Alternative would not reduce or eliminate any of the adverse impacts associated with the Proposed Project because none of the quarry's operational parameters would change. Due to the anticipated future demand for high quality aggregate materials in the Santa Barbara-San Luis Obispo market region, as summarized in EIR Section 2.2 (Overview of Aggregate Market Demand), it is assumed that the No Project Alternative (Alternative 3) would result in the need to construct and operate a new quarry either within the County or at a location in relatively close proximity to it. Although it would be highly speculative to attempt the quantification of a new quarry's impacts, because such a facility would require the construction/installation of all new support facilities, structures and equipment, it has been reasonably assumed that these activities, in addition to mining itself, would cause more impacts, both in terms of total number as well as severity, than either the Proposed Project or Alternatives 1 and 2. As such, the No Project Alternative would not be expected to reduce or eliminate any of the Proposed Project's adverse impacts.

Although implementation of the Reduced Acreage Alternative (Alternative 1) would be anticipated to result in the greatest number of environmental advantages in comparison to the Proposed Project or Alternatives 2 and 3, this alternative does pose two key disadvantages: (1) it could cause potential conflicts and inconsistencies with the County's adopted COSE; and, (2) it could ultimately trigger the need to either construct and operate a new quarry, or otherwise expand another existing quarry in an estimated 27 years.

As summarized in EIR Section 6.1.1 (Project Objectives), the adopted COSE acknowledges the importance of the County's concrete grade aggregate resources and recognizes the important role of aggregate minerals in supporting construction and economic growth. Goals identified by the County relative to the extraction and use of mineral resources contained in the COSE and include: MN-1 (Conservation and development of significant mineral deposits will be a high priority, but will be balanced with other County general plan goals and policies); MN-2 (Significant mineral resources will be protected from land uses that threaten their availability for future mining); and MN-3 (Balance mining of mineral resources with sensitive natural resources and existing adjacent uses) (County of San Luis Obispo, 2010). If the County, therefore, were to

determine that it was in the best interest of the environment to require the quarry to cease operation 32 years earlier than planned, the commensurate loss in aggregate production could be found to be inconsistent with the COSE; this inconsistency could, in turn, be considered to be a significant and unavoidable impact by decision makers.

In addition to the above, cessation of the quarry's operation 32 years early would reduce production of the Proposed Project by over 14,200,000 tons, which would represent more than one-third of the quarry's production capability. As a consequence, and consistent with the assumptions applied to the No Project Alternative, the elimination of this production could likely cause the need for development of a new quarry, which would be expected to result in a greater number of adverse impacts than either the Proposed Project or Alternative 2, as described for the No Project Alternative in Table 6.6-1. Alternatively, the loss of production could trigger the need to expand another existing quarry within the County, which would likely generate the same types of impacts as either the Proposed Project or Alternative 2.

In consideration of the disadvantages associated with the Reduced Acreage Alternative (Alternative 1), it has been determined that the Enhanced Reclamation Alternative (Alternative 2) is the environmentally superior alternative. Although Alternative 2 would not reduce or eliminate the Proposed Project's one significant and unavoidable impact related to noise, it would allow for the Proposed Project's full operational and production parameters to be achieved while also minimizing some post-reclamation impacts associated with aesthetics and visual resources and biological resources.