



**COUNTY OF SAN LUIS OBISPO  
DEPARTMENT OF PLANNING AND BUILDING  
STAFF REPORT**

**PLANNING COMMISSION**

*Promoting the Wise Use of Land  
Helping to Build Great Communities*

MEETING DATE April 30, 2015	CONTACT/PHONE Airlin M. Singewald, Senior Planner (805) 781-5198	APPLICANT Hanson Aggregates Mid-Pacific	FILE NO. DRC2011-00098, DRC2011-00099
<p>SUBJECT Hearing to consider a request by Hanson Aggregates Mid-Pacific for a modification of an existing Conditional Use Permit and a Reclamation Plan Amendment to expand the existing Santa Margarita Quarry by approximately 33 acres (thereby enlarging the quarry footprint from 160.1 acres to 193.1 acres). The proposed expansion would yield an estimated 21.5 million tons of aggregate reserves. These reserves, in combination with existing entitled reserves, would result in the quarry producing 33.2 million tons of aggregate products over a 59-year period. No increase in annual production volumes or intensity is proposed beyond the quarry's currently permitted levels. The site is in the North County Planning Area, Salinas River Sub Area, within the Extractive Resource Area (EX1) combining designation overlay. The proposed project is within the Rural Lands and Agriculture land use categories and is located at 16815 El Camino Real, approximately three miles northeast of the community of Santa Margarita.</p>			
<p>RECOMMENDED ACTION Staff recommends the Planning Commission take the following actions in this order:</p> <ol style="list-style-type: none"> <li>1. Certify Final EIR, including Appendices</li> <li>2. Adopt CEQA Findings, including Statement of Overriding Considerations/Findings in Exhibit A</li> <li>3. Approve Conditional Use Permit (DRC2011-00098) for the Proposed Project based on the findings in Exhibit B and Conditions of Approval in Exhibit D</li> <li>4. Approve Reclamation Plan Amendment (DRC2011-00099) for the Proposed Project based on the findings in Exhibit C and Conditions of Approval in Exhibit D</li> </ol>			
<p>ENVIRONMENTAL DETERMINATION Also to be considered at the hearing will be approval of the Environmental Document prepared for the item. The Environmental Coordinator, after completion of the Initial Study, found that the Proposed Project may have a significant effect on the environment, and therefore an Environmental Impact Report was prepared (pursuant to Public Resources Code Section 21000 et seq., and CA Code of Regulations Section 15000 et seq.). The Final EIR addresses potential impacts on: Aesthetics and Visual Resources; Agricultural Resources; Air Quality; Greenhouse Gas Emissions; Biological Resources; Cultural and Paleontological Resources; Geology, Soils and Mineral Resources; Hazards and Hazardous Materials; Land Use; Noise; Public Services and Utilities; Recreation; Transportation and Circulation; and, Water Quality and Supply. Mitigation measures are proposed to address these impacts and are included as conditions of approval. A Statement of Overriding Considerations was determined necessary based on significant and unavoidable impacts associated with Noise. See Exhibit A for specific CEQA Findings and Overriding Considerations.</p>			
LAND USE CATEGORY Rural Lands and Agriculture	COMBINING DESIGNATION Extractive Resource Area and Flood Hazard	ASSESSOR PARCEL NUMBER Eight separate parcels (see Project Description section, below)	SUPERVISOR DISTRICT(S)  5
<p>PLANNING AREA STANDARDS: Salinas River Planning Area (compliance is discussed in the "Ordinance Compliance/Land Use Consistency" section, below)</p>			



- The **Major Issues** section provides a summary of the more significant environmental issues and need for a Statement of Overriding Considerations.
- The **Ordinance Compliance/LUO** section compares the Project to the County's regulations. This section discusses applicable County Standards that apply and how the Project complies with the ordinance requirements listed.
- The **Public Participation** section provides an overview of the public's involvement in the process and efforts by the County to engage the public in participating in the process.
- The **Agency Review** section summarizes the local, state and federal agencies that have provided comments on the Project (Exhibit J).

## **BACKGROUND INFORMATION**

### **Existing Entitlements and Approved Reclamation Plan**

The current land-use entitlements governing the existing quarry consist of Conditional Use Permits (CUPs) granted by the County, vested mining entitlements arising from the quarry's mining operations prior to 1976, and a 1981 Reclamation Plan approved pursuant to SMARA, as summarized below. Figure 10 of Exhibit E provides a map of the quarry's existing entitlements.

The existing quarry began operation in the 1920s and those portions of it that were mined prior to SMARA's enactment are regarded as a vested mining right (primarily APNs 070-141-006 and 070-131-021). A vested mining right is a protected property right to continue legal mining operations that were initiated prior to the adoption of any State or local land use ordinances and regulations for mineral extraction without being required to conform to them. The County recognizes the quarry's pre-existing mining areas as vested, and accordingly, no use permit has been required for mining operations to continue in those areas (primarily APNs 070-141-006 and 070-131-021).

In September of 1981, the County granted a CUP that authorized an extension of surface mining operations into a 44-acre area, identified as APN 070-141-054. At that time, mining operations were ongoing within the remainder of the quarry site (primarily APNs 070-141-006 and 070-131-021). Also in September of 1981, the County approved a Reclamation Plan for the quarry. The 1981 Reclamation Plan designated an approximate 85 acre Upper Area, which is used mainly for extraction and processing of construction aggregates. The 1981 Reclamation Plan also designated a Lower Area consisting of prior mining and processing areas, asphalt production, drainage facilities and undisturbed areas. 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.

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 quarry is approved to operate 260 days per year. The operational hours of the quarry generally fall between 7:00 a.m. and 8:00 p.m., Monday through Friday.

It is noted, however, that the operation of aggregate quarries is highly variable and contingent on market demand. Under typical conditions, activities associated with any given work shift tend to be the highest during the first three to four hours of that shift, and subsequently taper off as the shift nears its end. On occasion, though, large construction projects can demand aggregate material for continuous or nearly continuous periods of concrete pouring, which can cause a quarry to operate an estimated 16 hours per day until that demand is met.

The quarry's hours of operation were amended twice (through CUP approval) to accommodate the inherent and sometimes unpredictable fluctuations in market demand. In 1999, the County approved a CUP (D900016D) and certified an Environmental Impact Report to establish the following exceptions to the 7 a.m. to 8 p.m. hours of operation:

- Rock sales may operate for a maximum of 16 hours of each 24 hours beginning and ending at 6:00 a.m. (up to 80 days per year for a public agency contract).
- Rock sales may start operations at 5:00 a.m. (70 days per year for the general public).

In 2006, the quarry's hours of operations were modified again through CUP approval (DRC2005-0004) as follows:

- The Secondary Processing Plant (see EIR Section 2.5.3, Proposed Project Operations, Material Processing) can operate from 5:00 a.m. to 7:00 a.m. (June 15 to September 15).

The 2006 CUP was found to be consistent with the 1999 EIR. Please refer to Appendix B of the Draft EIR for a listing of all of the entitlements and conditions of approval specified in the County's CUP, as amended in 1999 and 2006, for all components of the quarry's existing operations.

Exhibit I lists the existing conditions of approval from D900016D and DRC2005-00004, with "clean up" edits (strikethroughs and underlines) to acknowledge conditions that have already been cleared or which are no longer applicable. These conditions have been applied to the Proposed Project with the "clean up" changes noted in Exhibit I.

### **Existing Quarry Operations**

Figure 2 of Exhibit E provides the boundaries of the existing quarry and its related 1981 Reclamation Plan. The existing quarry's Upper Area features an active hard-rock quarry, and primary and secondary aggregate processing facilities which crush, screen, wash and sort aggregate products for use or sale. The Lower Area of the quarry includes two Hot Mix Asphalt (HMA) plants, access roads, stockpiles, silt ponds and a concrete and asphalt recycling facility. One HMA is owned by the Applicant and its existing conditions of approval for operation were factored into the quarry's consolidated land use permit in 1999. The second HMA, which is owned and operated by Papich Construction, was conditionally approved for operation by the County via a Substantial Conformity Determination in 2010 for a two-year period. In 2012, this HMA was provided with an approval to extend operations until either: (1) July 31, 2017; (2) Phase 3 of the State Route 46 Widening Project is complete; or, (3) the Applicant's HMA modernization and final County inspection are complete, whichever occurs last. The entitlements and conditions of approval for all quarry-related facilities, including the two HMAs, are provided in Appendix B. Figure 3 of Exhibit E provides a map of the existing facilities and features associated with the quarry.

The existing HMAs are considered a legal non-conforming use that may continue only until the existing permitted reserves are depleted. This is based on an ordinance interpretation made by the Board of Supervisors on March 9, 2010, in which the Board determined that 100 percent of the raw materials needed for the "Paving Materials" land use in the Rural Lands category must be extracted on-site. Based on this interpretation, the quarry's existing HMAs are not an allowed use in the RL category because they would rely on imported materials, such as petroleum. The HMAs may continue as a legal non-conforming use under the existing entitlements but must be discontinued once the permitted reserves (approximately 11.7 million tons) are depleted. The proposed project is conditioned to require the Applicant to record annual extraction quantities and decommission the HMAs before the existing reserves are depleted.

Access to the quarry is from a private road that intersects with El Camino Real, approximately 1.8 miles north of the State Route 58/El Camino Real intersection. The access road runs east to west, and is approximately 1.5 miles in length. The total length from the quarry entrance to El Camino Real is paved and allows for two way traffic.

The quarry currently employs 15 full-time positions for mining and processing activities, environmental compliance, safety, sales, management and administration. No change to the quarry's existing number of employees is proposed.

The quarry is mined in a stair-step fashion, with native rock drilled and blasted and then systematically removed leaving a series of mine benches. Details related to proposed quarry operations, which would be nearly identical to and a continuation of existing operations, are provided in Draft EIR Section 2.5.4 (Operational Activities).

The Upper Area of the existing quarry is classified by the California Department of Conservation (DOC), Division of Mines and Geology, as Mineral Resource Zone (MRZ) 2 for Portland Cement Concrete (PCC) grade aggregate while the Lower Area is classified as MRZ 3. The Division of Mines and Geology, considers PCC to be an "indispensable, high grade construction aggregate which is costly to transport." Areas classified as MRZ 3 contain aggregate material; however, the value of these resources has not yet been determined for the San Luis Obispo County area due to a lack of data.

#### **State Surface Mining and Reclamation Act of 1975 (SMARA)**

The State's mineral resources are regulated by the SMARA of 1975 (Public Resources Code, Division 2, Chapter 9, Sections 2710 et seq. and Chapter 8, Title 14, California Code of Regulations, Section 3500 et seq.). SMARA encourages the production, conservation and protection of the State's mineral resources; provides policy to ensure that the adverse environmental impacts associated with surface mining operations are minimized and/or avoided; and requires that mined lands be reclaimed to a usable condition at the end of a quarry's operational life through implementation of a Reclamation Plan. At a local level (e.g., incorporated cities and counties) the requirements of SMARA are achieved through the adoption of ordinances and standards for land use permitting that provide the regulatory framework under which local mining and reclamation activities are conducted. The State Mining and Geology Board (SMGB) reviews these ordinances and standards to determine if they fulfill the surface mining and reclamation procedures established by SMARA. The local agency acts as the lead agency for purposes of enforcing SMARA unless the SMGB has determined that the lead agency's local ordinances are deficient or its enforcement has been inadequate, as defined in Public Resources Code section 2774.4 and 2774.5. Chapter 22.36 (Surface Mining and Reclamation) of the County's Land Use Ordinance (Title 22 of the County Code) satisfies the requirements of SMARA and the County acts as lead agency for purposes of enforcing SMARA within the unincorporated areas of the County.

#### **PROJECT DESCRIPTION**

The Proposed Project, or Project, includes expansion of the existing quarry by approximately 33 acres, which would yield an estimated 21.5 million tons of aggregate reserves. These reserves, in combination with existing entitled reserves, would result in the quarry producing 33.2 million tons of aggregate products over a 59-year period. The quarry's reserves include PCC/AC grade aggregate, which is considered the most "scarce and valuable" aggregate resource because it is used primarily for construction. State Geologist Special Report 215 (SR 215), prepared in 2011, identified a need for PCC/AC grade aggregate in the San Luis Obispo / Santa Barbara County production/consumption region. Approval of the Proposed Project would help achieve SR 215's PCC/AC production goals.

The Proposed Project site is located at 16815 El Camino Real, approximately three miles northeast of the community of Santa Margarita. Under the Proposed Project, the existing quarry’s Excavation Area would be expanded and mined according to four overlapping phases. Each phase would include: vegetation removal; topsoil salvaging and overburden stripping; blasting; shot rock extraction and transport; and, material processing. Concurrent reclamation would occur with mining where practicable on those benches that have achieved their final contours. Final reclamation of the proposed RPA area would be completed after mining Phase IV. It is anticipated that all four mining phases and final reclamation would all be completed in approximately 64 years (59 years of mining plus five years of final reclamation). No increase in annual production volumes or intensity is proposed beyond the quarry’s currently permitted levels. Figure 3 of Exhibit E provides a map of the existing facilities and features associated with the quarry.

Project elements included in the Proposed Project are as follows:

Quarry Expansion – The Proposed Project area is located on eight parcels that are owned by Mission Lakes LLC, Santa Margarita Ranch LLC, Major Domo LLC and Kaiser Sand and Gravel. Kaiser Sand and Gravel was acquired by the Applicant in 1992. The remaining properties are leased, as needed, by the Applicant. The existing quarry is made up of five types of operational areas, all of which would be maintained “as is” or otherwise enlarged, as described below, under the proposed expansion. Figure 4 of Exhibit E provides a map of these areas and the following table lists each of the parcels and acreage within the Proposed Project site:

Assessor Parcel Number (APN)	Total Acres	Acres in Proposed Project/ Reclamation Plan Amendment (RPA) Area
<b>Upper Area Parcels</b>		
070-131-003	205.79	33.22
070-141-054	50.16	50.16
070-141-006	35.85	35.85
<b>Lower Area Parcels</b>		
070-131-022	78.67	5.34
070-121-021	73.38	46.77
070-091-037	1,708.78	16.22
070-154-033	17.35	0.1
070-131-018	5.43	5.43

**Total Acres:** 2,175.4

**Acres in Proposed Project/RPA Area:** 193.1

The Excavation Area, or pit, is where mineral extraction currently takes place and would continue to occur until aggregate resources are depleted. It is estimated that there are 11.7 million tons of aggregate reserves within the currently permitted Excavation Area according to the current mining plan and geotechnical constraints, and that the proposed 33-acre expansion would add an additional 21.5 million tons of aggregate reserves to the quarry’s production. Currently there is a 10-acre Impoundment within the Excavation Area that collects rain water and surface water runoff from within the pit and surrounding slope faces. This collected water is subsequently used for dust suppression activities (see Draft EIR Section 2.5.4, Proposed Quarry Operation, Water Use and

Management). The Impoundment would be modified, as needed, by the Applicant during proposed expansion of the Excavation Area.

Quarry Phasing – Under the proposed quarry expansion, mining operations within the Excavation Area would occur in four overlapping phases. As detailed in Section 2.5.4 (Proposed Quarry Operations) of the Draft EIR, each phase would include: vegetation removal, topsoil salvaging and overburden stripping; blasting; shot rock extraction and transport; and, material processing. Concurrent reclamation would occur with mining where practicable on those benches that have achieved their final contours. Final reclamation of the Proposed RPA area would be completed after Phase IV has been completed. It is anticipated that all four mining phases and final reclamation would all be completed in approximately 64 years. Figure 5 of Exhibit E shows the locations of each phase of proposed expansion of the Excavation Area and the following table summarizes each mining and final reclamation phase:

<b>Proposed Project Phases</b>					
<b>Mining Phase</b>	<b>Estimated Period</b>	<b>Estimated Duration (years)</b>	<b>Acreage</b>	<b>Total Production (tons)</b>	<b>Overburden Removal (tons)</b>
Phase I	2013 to 2031	19	38.8	10,509,407	1,000
Phase II	2015 to 2045	31	13.3	8,374,201	584,300
Phase III	2041 to 2061	21	11.7	8,947,765	525,800
Phase IV	2056 to 2071	16	10.9	5,299,941	489,900
Final Reclamation	2072 to 2076	5	(Entire Proposed RPA Area)	N/A	N/A
Phase I – IV Totals			74.7	33,131,314	1,601,000

Quarry Operations – As with current operations, mining of the Proposed Project during each mining phase begin with vegetation removal, topsoil salvaging and overburden stripping, followed by blasting, shot-rock extraction and transport, and material processing. A summary of each of these operational activities is provided below.

*Vegetation Removal, Topsoil Salvaging and Overburden Stripping.* Topsoil and overburden removal would begin with the removal of all vegetation from the immediate area where new mining would occur. Once the targeted mining area is cleared of vegetation, topsoil would be salvaged and overburden would be relocated to expose the granite reserves. The topsoil salvaged would vary depending on site-specific conditions; however, salvage would typically consist of approximately the top six inches of soil located within the Extraction Area for each mining phase.

Overburden materials include soils, clays, and low quality granite that are not suitable for construction aggregate use. The quantity of overburden produced for the duration of mining has been estimated at approximately 1.6 million tons. Approximately 50,000 cubic yards (cy) of overburden would be retained for reclamation purposes; the remaining overburden would be sold or used at the quarry for final grading. Temporary overburden stockpiles would be seeded to limit erosion while awaiting use in the reclamation process. Overburden and topsoil material stockpiles would be located within the excavation pit, and drainage would be directed inward to eliminate the potential for sediment to migrate off site.

*Blasting.* Blasting would be required to fracture and loosen “in-situ” rock. A licensed blasting contractor would be retained to complete all blasting-related activities in compliance with applicable regulations of the San Luis Obispo County Sheriff’s Department, federal Mine Safety and Health Administration (MSHA), California Division of Occupational Safety and Health (Cal-OSHA), and federal Department of Homeland Security, and Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF).

All blasting operations would follow the quarry’s existing practices. Currently, blasting occurs approximately twice per month and between 11:00 a.m. and 1:00 p.m. Prior to blasting an air rotary drill is used to bore 30 foot deep holes into the granite. The holes are then loaded with ammonium nitrate and fuel oil (ANFO) or a similar substance, cast boosters, detonation cord and initiators. The blast is then detonated by a licensed and certified blaster. Each blast yields approximately 13,000 cy of fractured rock. Figure 6 of Exhibit E provides a photograph of a typical blasting event at the quarry.

*Shot Rock Extraction and Transport.* After blasting, a shot rock pile would form at the toe of the active mine bench. The size of each rock in the shot rock pile would be approximately 40 inches in diameter or less. The shot rock would be extracted with either a hydraulic excavator or a front-end loader and loaded into off-road haul trucks for transport to the Aggregate Processing Area (Figure 4 of Exhibit E). However, during proposed expansion Phase II (see Draft EIR Section 2.5.3, Proposed Quarry Phasing, Phase II) a primary crusher and overland conveyor would be installed to transport the majority of the shot rock from the excavation pit to the Aggregate Processing Area, as shown in Figure 7 of Exhibit E. As noted previously, this conveyor would reduce the number of on-site haul truck trips and reduce diesel emissions in comparison to current operating conditions.

On-site haul roads within the quarry would vary depending on the geographic area associated with each mining phase; therefore, the location of haul roads would change throughout the lifespan of the quarry. As noted in Draft EIR Section 2.5.3 (Proposed Quarry Phasing), the proposed primary crusher and conveyor system could be relocated closer to active benches during each mining phase to minimize both the number of haul trucks needed for product transportation and the distance of associated access roads.

*Material Processing.* The Primary and Secondary Processing Plants identified in Figure 3 of Exhibit E consist of equipment and facilities that crush, screen, wash, sort and temporarily store processed materials prior to sale and distribution. These plants currently use, and would continue to use the following equipment and facilities: secondary and tertiary crushing units; vibrating screens and rock washing units; conveyors linking processing facilities with stockpiles; finished material stockpiles; access roads; and clarifying water basin.

Material processing under the proposed expansion would follow existing quarry operations. Fractured granite would first be delivered to the Primary Processing Plant located southwest of the Extraction Area. The Primary Processing Plant reduces the size of aggregate down to eight inches in diameter or less. The crushed rock is then shipped via belt conveyors to a surge pile, where it is loaded onto an underground conveyor and fed to the Secondary Processing Plant. At the Secondary Processing Plant the product is further crushed, screened and washed. The finished product is then stockpiled at the Secondary Processing Plant for ground loading into customer trucks, or conveyed to one of the HMAs (Figure 3 of Exhibit E).

Reclamation Plan Amendment – Reclamation describes the process of preparing mined lands for alternative post-mining uses, and removing residual mining hazards. The existing quarry’s Reclamation Plan was approved in 1981 and addresses the existing quarry’s 147-acre site. The Proposed RPA submitted for the Proposed Project, dated April 17, 2013, addresses the expanded

193.1-acre site; however, only 148 acres are expected to require reclamation; the remaining 45 acres would be maintained as Buffer Areas where no disturbances would occur during mining operations.

Mining activities would result in the creation of a depression in the Upper Area that has an average depth of 250 feet deep and a number of cut slopes with 25 foot-wide catch benches every 50 vertical feet around its perimeter, as shown in Figure 8 of Exhibit E. Reclamation would adapt this landform to open space uses including seasonal water storage, oak woodland habitat, riparian woodland habitat and chaparral vegetation. Figure 9 of Exhibit E provides a map and the acreage of proposed reclaimed uses.

The Final Reclamation Phase, as described in Draft EIR Section 2.5.3 (Proposed Quarry Phasing), would occur after completion of all mining operations. It would consist of equipment removal, rough and finish grading, resoiling, revegetation, and monitoring until reclamation performance standards are met. The Final Reclamation Phase would be divided into the Upper and Lower Areas, and is anticipated to require five years to complete.

The Applicant's Proposed RPA goals are to:

1. Adapt mined areas to open space land uses.
2. Stabilize the soil so that erosion is controlled.
3. Revegetate mined lands to create a habitat allowing for the gradual invasion and establishment of native plant species from the surrounding undisturbed plant communities through natural successional processes.
4. Reduce the visual impacts of the quarry benches visible from the surrounding areas along State Route 58.
5. Maximize the recovery of mineral resources in a safe and efficient manner; and
6. Mitigate, by design, potential environmental impacts on the land that might otherwise be created by extraction.

Plant species used for reclamation would be capable of self-regeneration without continued dependence on irrigation, soil amendments or fertilizer, and would include species representative of surrounding vegetative communities. Draft EIR Appendix B provides details regarding the goals and activities associated with the Proposed RPA.

## **ENVIRONMENTAL IMPACT REPORT (EIR)**

The Applicant originally applied for a modification to its existing CUP for the Santa Margarita Quarry and approval of the proposed RPA on May 25, 2012. Following review and preliminary assessment of these applications and acting as the lead agency under the CEQA, the County Department of Planning and Building prepared and transmitted a Notice of Preparation (NOP) for this EIR on June 20, 2013. Comments on the NOP were requested by no later than July 22, 2013, and a public workshop on the scope of the EIR was held on June 27, 2013 at the Santa Margarita Elementary School, located at 22070 H Street in the community of Santa Margarita. A summary of the scoping process and comments received on the NOP is contained in Section ES.2 of the Draft EIR.

The Draft EIR and its corresponding Notice of Availability were released for public and agency review on November 21, 2014. The public and agency review and comment period on the Draft EIR was 53 days in length and ended at the close of the business day on Monday, January 12 2015. During this period, a public meeting on the contents and conclusions of the Draft EIR was

held on Thursday, December 4, 2014, also at the Santa Margarita Elementary School. Approximately eight persons attended the Draft EIR meeting, including Applicant representatives. No areas of controversy or issues in need of resolution were identified by any member of the public at that meeting.

This Final EIR has been prepared to meet all of the substantive and procedural requirements of the CEQA (California Public Resources Code Section 21000 et seq.) and the State CEQA Guidelines (California Code of Regulations, Title 14, Section 1500 et seq.). The County Department of Planning and Building has designed this Final EIR to be used in conjunction with the content of the Project's Draft EIR, consistent with State CEQA Guidelines Sections 15132 and 15088(d). It contains all written comments received on the Draft EIR, responses to the comments received on the Draft EIR, all revisions to the text of the Draft EIR that were undertaken as a result of consideration of the comments received on the Draft EIR, and a Mitigation Monitoring Plan (MMP), consistent with State CEQA Guidelines Section 15097.

Exhibit F provides a summary of the environmental effects of the Proposed Project.

Exhibit G provides a summary of Alternatives presented in the Draft EIR.

At the close of the Draft EIR public review period two comment letters were received. For a summary of these comments, please see the "Community Advisory Group Comments/Public Participation" section of this staff report, below. The Final EIR Section 2.2 includes the correspondence received subsequent to the close of the Public Review of the Draft EIR.

Please also refer to the "Major Issues" section below for additional discussion on environmental issues and the Statement of Overriding Considerations.

## **MAJOR ISSUES**

### Environmental Issues

The Proposed Project's EIR assume that the quarry's on-going operations are part of the Proposed Project's existing, or "baseline," conditions. As a consequence, the impacts of the quarry's existing operations are not evaluated in the EIR. Only those impacts associated with the quarry's extended lifetime within the proposed expansion area and final reclamation per the proposed RPA are evaluated.

For the purposes of evaluating traffic and related noise impacts, the EIR used the 10 year (2003 through 2012) average annual production rate (544,877 tons) and associated truck trips (89 round trips) as the baseline. This baseline was then compared to the Project's maximum permitted annual extraction rate (700,000 tons) and truck trips (294 round trips) to determine the Project's resulting impacts. As such, these impacts represent a reasonable worst-case scenario, which assumes maximum production.

The most noteworthy environmental impacts associated with the Proposed Project include:

**Noise** - Noise standards for the vicinity of the Proposed RPA area are specified in the County of San Luis Obispo's Noise Element and in Section 22.10.120 of the County Land Use Ordinance (Title 22 of the County Code). The excavation and reclamation phases of the Proposed Project would involve noise-generating activities and equipment such as the loading of off-road haul trucks and the movement of aggregate materials with bulldozers. In addition, the excavation phase of the Proposed Project would involve jaw crusher operations, crushing/screen operations at the main aggregate processing plant, asphalt plant operations, blasting operations, and the generation of traffic noise through the trucking of materials from the Proposed RPA area. Any increase in noise

levels resulting from the implementation of the Proposed Project would continue until the Proposed Project is completed in the year 2076.

As discussed in Section 4.11 of the Draft EIR, the noise impacts of the Proposed Project on surrounding vacant lands would conflict with Noise Element Policy 3.3.5 (b). Also, traffic noise could increase future noise (assuming maximum production) levels by an additional 3 dB Ldn relative to existing conditions. This was calculated to increase noise levels to 66 dB Ldn (above the 65 dB Ldn/CNEL threshold) along El Camino Real south of Santa Barbara Road and along State Route 58 between Murphy Avenue and Pinal Avenue at maximum production. At these noise levels, it would become increasingly difficult to maintain interior noise levels at or below the 45 dB Ldn/CNEL interior space threshold.

**Air Quality** – Ongoing operational emissions from stationary sources are presently authorized in permits from the County Air Pollution Control District (APCD), and the mobile sources are not subject to permitting, including off-road equipment and haul trucks (on-highway). The facility-specific emissions inventory quantifies only PM10. Aggregate excavation, handling, and processing and the activity of mobile sources on unpaved surfaces are the primary sources of particulate matter dust. For the most recent year of data (2011), the emissions from material processing at the quarry were reported to be 63.6 tons PM10. Because these emissions exceed the 25 tons per year threshold of significance and also would exceed the daily threshold for operational PM10, the impact of PM10 relative to conditions existing without the Proposed Project would be significant. Implementation of a Dust Control Plan (Mitigation Measure AQ-1) is recommended for the control of fugitive dust and PM10 and to reduce the impact of PM10 emissions to a less- than-significant level.

**Biological Resources** – General excavation impacts to vegetation would involve direct effects including clearing vegetation, and indirect effects such as fugitive dust and the spread of nonnative and invasive weeds (especially to adjacent habitats off site). Excessive fugitive dust can reduce photosynthetic capacity in plants over time and inhibit reproduction by physically coating reproductive structures or excluding insect pollinators. Direct impacts to wildlife could occur from excavation activities as a result of mechanical crushing, road kill, loss of breeding sites, disturbance from human activity and vehicles, and trampling. Disturbances to wildlife would be associated with the removal of vegetation, blasting, and large-scale alterations of existing topographical and hydrological conditions. Indirect impacts to wildlife could include noise and vibration from blasting and earthmoving, fugitive dust, the degradation of water quality, changes in water runoff due to alterations in topography, increased erosion and sediment transport, and the spread of noxious weeds. Increased lighting during low-light periods and noise can cause some species to leave the area and can disrupt foraging, breeding, or other activities. Many insects are drawn to light, and species that prey on insects, such as bats, may be attracted to lighted areas which would increase the potential for disturbance or mortality.

During site preparation and earth moving in the initial stages of reclamation, direct and indirect impacts to vegetation and wildlife would be similar to those described for excavation. Beneficial impacts from the re-establishment of habitat would be realized as reclaimed vegetation matures. However, because excavation activities would continue to occur in areas within close proximity to reclaimed lands, these reclaimed areas would not provide the same functional habitat values as natural lands. Additionally, although reclamation would “restore” habitat, these reclaimed areas may never obtain the same functional value as pre-disturbance conditions. Nevertheless, reclaimed areas would support some native wildlife and vegetation, and, over time, the species composition and diversity of the Proposed RPA area would be expected to increase if native vegetation matures and additional native vegetation becomes established.

The EIR identifies 14 mitigation measures that would be applied to reduce impacts to biological resources.

**Cultural and Paleontological Resources** – Archaeological and historic resource surveys were conducted for the 33 acre expansion area and the 61.5-acre lower Reclamation Area. Resources were documented in the lower Reclamation Area, but not in the proposed expansion area. The activities associated with proposed final reclamation of the property, which includes grading, disking, and ripping the ground surface, as well as distributing growth medium and vegetation, could impact historic and archeological resources. In addition, although the site has not been surveyed for paleontological resources, impacts could occur based on the characterization of neighboring landforms provided in the Applicant's technical report for paleontology. With implementation of specific avoidance measures, along with the plans and program recommended through mitigation measure, the potential for impacts to cultural resources would be reduced.

**Hazards and Hazardous Materials** – The Proposed Project would involve excavation activities that would disturb the top foot of soil where the fungal spores that cause Valley Fever may be present. The disturbance of the soil could release the fungal spores into the air, which could expose workers to Valley Fever and spread the fungal spores to new areas when people and equipment leave the Project site. The implementation of dust control measures, worker training, and control measures specific to Valley Fever would reduce this potential impact to less than significant.

**Transportation and Circulation** – The Proposed Project would not generate any average or peak-hour vehicle trips beyond that of current quarry operations (existing conditions). However, the Project would continue quarry traffic beyond the existing quarry permit that is considered to result in a cumulative contribution to intersection LOS degradation at the intersections of Estrada Avenue (State Route 58) and El Camino Real, and Estrada Avenue and H Street (location of the Santa Margarita Elementary School pedestrian crossing). In addition, the Project's contribution of continued heavy truck traffic along State Route 58 is considered a potentially significant impact. Based on the recommended mitigation measures, the Project Applicant will pay a fair share contribution to the improvements necessary to ensure roadway and pedestrian safety and provide on-going maintenance to avoid major degradation beyond the existing condition of the highway.

The Applicant's comment letter on the DEIR claimed that the Proposed Project would not increase truck trips, since it would only expand the mining area and would not increase operations beyond the historic 10-year baseline. In response to this comment, staff revised the traffic fee mitigation measures (MM TR-1 and TR-3) to give the Applicant the option of receiving credit for the 10-year historic number of truck trips. In other words, the Applicant would only be required to pay for truck trips in excess of the historic baseline.

**Water Quality and Supply** – There are two principal ways that the Proposed Project could impact water quality and potentially violate water quality standards: (1) result in direct discharges of degraded runoff to nearby surface waters (i.e., the Salinas River); or (2) result in discharges of contaminants to the quarry's proposed excavation pit that would degrade groundwater quality. During excavation activities, the potential impact to groundwater quality and discharges to the Salinas River is less than significant because the Applicant would be required to comply with existing State and local hazardous materials handling requirements and programs, and the proposed excavation area is not underlain by a groundwater aquifer. However, potentially significant impacts could occur during the reclamation period. Active reclamation activities, stormwater management, and soil erosion control within the Proposed RPA area would be managed in accordance with a site-specific Storm Water Pollution Prevention Plan (SWPPP); although, a SWPPP has not yet been prepared. It is noted that the Proposed RPA includes general measures and approaches to minimize erosion, including: vegetation maintenance on areas disturbed from quarry activities; construction of naturally lined ditches; planting and hydroseeding at the appropriate time of the year to insure revegetation of disturbed areas; and monitoring of reclaimed areas for evidence of erosion. However, these proposed general measures do not provide adequate detail to ensure that water quality impacts related to final reclamation phase

grading of the Lower Area would be less than significant. As such, preparation of implementation of a SWPPP (Mitigation Measure HYD-1) is recommend to reduce this potential impact to less than significant.

The attached conditions (Exhibit E) have addressed all of the issues cited above to the extent feasible. With the exception of Noise Impact NS-1, all of the project's impacts would be reduced to less than significant with mitigation. The County is required to prepare a Statement of Overriding Considerations to show that there are other benefits to outweigh the project's noise impacts, should the project be approved.

#### Statement of Overriding Considerations

Section 15126.2(b) of the State CEQA Guidelines requires that the EIR describe any significant impacts, including those that can be mitigated but not reduced to less-than-significant levels. Potential environmental effects of the Proposed Project and proposed mitigation measures are discussed in detail in Section 4 of the Draft EIR. Even with the incorporation of feasible mitigation measures that attempt to reduce impacts to the extent feasible, noise impacts would be significant and unavoidable during the excavation period of the Proposed Project. CEQA requires that when there are significant and unavoidable impacts, project approval requires the preparation of a Statement of Overriding Considerations that shows how other benefits outweigh these significant environmental impacts. Detailed discussion on this issue can be found in Section VII of the attached CEQA findings (see Exhibit A).

#### Public/Agency Issues

Please refer to the following 'Summary of Public Comments' under the "Community Advisory Group Comments/Public Participation Section below for a summary of the major issues brought forward by the APCD. Please also refer to the Agency Review section (below) for a summary of agencies that were notified and consulted for preparation of the EIR.

### **ORDINANCE COMPLIANCE/LAND USE CONSISTENCY**

#### **Existing Land Uses**

The Proposed RPA area (including the excavation area) occupies approximately 193.1 acres of land, generally located within the eastern half of Section 9 and the western half of Section 10, Range 13 East, Township 29 South of the Mount Diablo Base and Meridian. The Proposed RPA area lies within the Central Coast Mountain Range, approximately 16 miles east of the Pacific Ocean and three miles northeast of the community of Santa Margarita.

Land uses within the existing quarry property are dedicated to operation of the quarry, as well as two HMA plants and a concrete and asphalt recycling facility, as detailed in Section 2.5 of the Draft EIR (Proposed Project). Although the existing quarry site has not been used for agricultural uses for several decades, a relatively large portion of the Lower Area and a small portion of the Upper Area are designated Farmland of Statewide Importance. These are existing permitted areas that would not be affected by the Proposed Project. No lands within the proposed expansion area are designated Farmland of Statewide Importance.

#### **Ordinance Compliance**

**Land Use Designations.** The Proposed Project area is located on eight parcels, as identified in EIR Table 2.5-1. Eight of the parcels are designated RL (Rural Lands) and one is designated AG (Agriculture). Per Chapter 22.36 of the County's Land Use Ordinance (Title 22 of the County Code), mining is an allowable use within lands designated AG and RL subject to conformance of

the standards set forth in Sections 22.36.010 through 22.36.110 and issuance of a land use permit. The EX-1 Combining Designation on five of the parcels denotes areas of the County which the Department of Conservation, Division of Mines and Geology, has classified as containing or being highly likely to contain significant mineral deposits, and allows for mining with a land use permit and conformance with the standards of Land Use Ordinance Section 22.14.050. Operation of the existing mine within the quarry parcels with this combining designation is an allowable use per Subsection 22.14.060(B)(3) of the Land Use Ordinance and proposed reclamation is an allowable use with a land use permit. The Applicant has applied for a CUP and with approval of the CUP, along with this EIR, the Proposed Project would not conflict with these ordinances.

Four of the eight parcels are within the Flood Hazard Combining Designation overlay. The southern and central portions of the Lower Area are located within the mapped FEMA flood hazard area. As part of the County's permit review and approval process, the Applicant would be required to comply with all County standards and requirements for flood hazard protection, including this ordinance. Therefore, the Proposed Project would not conflict with this ordinance.

**Height Measurement and Height Limit Exceptions.** As with the quarry's existing overland conveyor, the maximum height of the second overland conveyor would periodically exceed 50 feet to deposit quarried material into stockpiles. However, this overland conveyor would not be visible from adjoining properties and would be installed and operated in a manner that does not conflict with the quarry's existing Safety Plan or Emergency Evacuation Plan. Additionally, this overland conveyor would be an "Uninhabited Structure," consistent with Section 22.10.090(2)(C)(3), for lands designated Rural Lands and Agriculture and therefore the 35-foot height restriction specified by Section 22.10.090(C)(1) would not apply. As such, the Proposed Project Would not conflict with this ordinance.

**Noise Standards.** According to LUO Section 22.10.120 (Noise Standards), a project shall not create noise exceeding 50 dB during daytime hours (7 a.m. to 10 p.m.) or 45 dB during nighttime hours (10 p.m. to 7 a.m.) at existing noise-sensitive receptors. As described in EIR Section 4.11, the project's noise assessment measured anticipated noise levels at nine existing sensitive receptors in the project vicinity and determined that the project would not exceed noise levels at any of the sensitive receptors.

The noise assessment determined that the Proposed Project could exceed the 50 dB noise threshold at adjacent vacant lands and that there may be intermittent periods (during times of peak operation) when traffic noise from the Proposed Project would exceed the Noise Element's 65 dB threshold for transportation noise (Noise Element Policy 3.3.3) by 1 dB along El Camino Real south of Santa Barbara Road and along State Route 58 between Murphy Avenue and Pinal Avenue. The EIR identified these as significant and unavoidable (Class 1) impacts. However, these impacts do not create inconsistencies with the Land Use Ordinance, which only establishes noise standards at existing sensitive receptors (i.e. not vacant lands or transportation noise sources). Furthermore, although the project would exceed the Noise Element standards, it could still be found consistent with the Noise Element based on Policy 4.5, which reads as follows:

*Where mitigation in accordance with the policies and standards of this Noise Element is not feasible, the review authority may adjust or waive such policies and standards the minimum amount necessary to enable reasonable use of the property, provided that noise levels are then mitigated to the extent feasible. The decision of the review authority may be appealed to the Board of Supervisors.*

A waiver can be justified for this project because all feasible mitigation measures will be implemented through conditions of approval and increases in noise levels resulting from the project

are the minimum detectable. The EIR proposes mitigation measure NS-1 (Truck noise reduction equipment and notification) to ensure that noise level increases are minimized. Furthermore, the project would be subject to existing conditions of approval (from past use permits) to minimize noise levels. Implementation of these conditions would reduce noise levels to the extent feasible; however, they may not reduce the noise levels to the 65 dB threshold.

**Setbacks.** Approximately 45.1 acres of Buffer Areas would be located within the boundaries of the Proposed RPA area. Within the proposed expansion of the Extraction Area, the Buffer Areas would include undeveloped lands that are characterized mostly by steep hillsides and thick vegetation. Existing and proposed Buffer Areas would protect nearby land uses from some aspects associated with the quarry's operations. Under the Proposed Project no disturbances would occur within the Buffer Areas. As such, the Proposed Project is consistent with Section 22.10.140 (Setbacks) of the Land Use Ordinance.

**Landscaping.** The Proposed RPA would require compliance with LUO 22.36.050 (Reclamation Plan), which requires the reclamation plan to be prepared by a licensed landscape architect, along with a registered civil engineer, state-registered geologist or forester, or other qualified professionals. Therefore, The Applicant will be legally bound to comply with all stipulations of this ordinance, including landscaping requirements.

**Land Use Consistency.** Site specific environmental issues related to the proposed mining activities, such as noise, parking, traffic, dust control, etc. have been appropriately addressed, and these issues are presented in the Draft EIR. While most of the impacts identified in the Draft EIR have been mitigated to a less-than-significant level, impacts related to noise at and in the vicinity of the Project site have been determined to be significant and unavoidable (Class I) at maximum production and would potentially contribute to incompatibilities with surrounding uses, as described in Draft EIR Section 4.11.5 under Impact NS-1. Therefore, the noise impacts associated with the Proposed Project would not be compatible with the surrounding land uses. However, because this quarry has been in operation for nearly 40 years, the Proposed Project would not present a new land use that would be incompatible with its surrounding land uses. As described above, the two HMAs are considered permitted non-conforming uses based on the Board's March 2010 ordinance interpretation, and will be required to be decommissioned once the existing entitled reserves are depleted.

The Oster/Las Pilitas Quarry Project is a proposed new quarry operation in a rural community, which, through its environmental review and public hearing process was found to be publicly controversial due to the proximity to residential rural development, and potential impacts that that new quarry would generate. In particular, the EIR for the Oster/Las Pilitas Quarry Project found that potential incompatibility issues with existing land uses in the community of Santa Margarita could result from truck traffic as related to pedestrian traffic and safety. Section 4.11 (Transportation and Circulation) of the Las Pilitas EIR addressed public roadway safety under Impact TR-2.

Based on the Santa Margarita Quarry's (Proposed Project) traffic analysis, approximately 40 percent of the Project's truck trips would travel south on El Camino Real, the majority of which would be headed towards Highway 101. These truck trips would contribute to pedestrian traffic and safety impacts in the community of Santa Margarita. Mitigation Measure TR-1 would ensure the Project Applicant pay a fair share contribution to provide the necessary improvements to ensure roadway and pedestrian safety. The fair share calculation would give the Applicant credit for the historic 10-year average number of truck trips, which is part of the existing baseline.

Proposed reclamation activities would be initiated in those areas of the quarry that have been depleted of resources in a manner concurrent to ongoing mining operations. Lands within the quarry would be reclaimed to open space uses, including seasonal water storage, riparian habitat, oak woodland habitat and chaparral vegetation. The activities associated with the Proposed RPA would occur within the Proposed Project site, and off-site traffic would not be appreciably different from existing conditions. As discussed in Draft EIR Section 4.14, Transportation and Circulation, the Proposed Project would not impact the Level of Service (LOS) on El Camino Real, but shoulder damage on southbound El Camino Real at the quarry's access road entry has occurred from quarry egress of southbound large trucks. As such, Mitigation Measure TR-1 is required to implement driveway improvements at the quarry access driveway. However, the impacts associated with these improvements would be temporary and would result in minimal disruptions to surrounding land uses. Therefore, land use impacts associated with reclamation activities would also not result in significant inconsistencies with the established community.

### **COMMUNITY ADVISORY GROUP COMMENTS/PUBLIC PARTICIPATION:**

The Proposed Project was referred to the Santa Margarita Area Advisory Council (SMAAC) on June 12, 2013 and the Council had several technical questions, which the Applicant and staff responded to, however no formal action was taken. On December 3, 2014, the Applicant presented the DEIR to SMAAC during the public review period for the DEIR. At that meeting, SMAAC took action to form a subcommittee to review the project; however, to date, staff has not received formal comments from SMAAC on the Proposed Project or the EIR.

In addition to the SMAAC meetings, an EIR Scoping meeting was held on June 27, 2013, and one Public Informational Meeting to respond to questions about the Draft EIR was held on December 4, 2014. The meetings were both lightly attended.

#### Summary of Public Comments on Draft EIR

The County received two written comment letters on the Draft EIR from: the County of San Luis Obispo APCD, and Hanson Heidelberg Cement Group (the Applicant's parent company).

The APCD requests that the criteria air pollutants of the Proposed Project be included in the Final EIR. The Draft EIR identifies all stationary and mobile sources associated with existing operations and the various permits issued by the APCD (see Draft EIR Table 4.4-4, page 4.4-5), and includes an inventory for greenhouse gas (GHG) emissions (see Draft EIR Table 4.5-3, page 4.5-3), thereby covering the existing operations and activities that would become part of the Proposed Project. In response to this comment, the County Department of Planning and Building has prepared a separate criteria air pollutant inventory for existing quarry operations that is included as part of this Final EIR (see Final EIR Chapter 3, Revisions to the Draft Environmental Impact Report). While the Applicant originally used the CalEEMod software to develop the GHG inventory, the County Department of Planning Building independently verified the calculations, relied on the Applicant's typical activity levels, and developed spreadsheet calculations to arrive at the separate air pollutant inventory. The supporting spreadsheet printouts showing assumptions, emission factors, and citations are included as part of the Project's administrative record to allow for full public review and disclosure of the data. The purpose of the separate air pollutant inventory is to clarify the existing levels of emissions attributable to existing quarry operations. No additional modifications to the air quality impact analysis have been deemed necessary.

The Hanson Heidelberg Cement Group provided several comments regarding the following sections of the Draft EIR: Project Description, Air Quality, Biological Resources, Noise, Recreation, Transportation and Circulation, and Comparison of Alternatives. Some of the comments did not

require any revisions to be made; however, where deemed necessary, revisions were made and provided in the Final EIR. Section 2 of the Final EIR provides the responses to each of the comments, and Section 3 of the Final EIR provides the revisions to the Draft EIR.

## **AGENCY REVIEW**

The following agencies provided comments on the Conditional Use Permit:

- Department of Conservation, Office of Mine Reclamation (OMR) – OMR submitted a letter dated March 27, 2015 commenting on the project's proposed reclamation plan. The County submitted a letter, dated March 31, 2015, responding to these comments and the project is conditioned to submit a final reclamation plan, within 60 days of project approval, incorporating OMR's recommended changes.
- Department of Public Works – See attached referral response dated July 9, 2012, which raises concerns regarding transportation/circulation and drainage impacts. The recommended conditions of approval in this initial referral response were further refined and modified during preparation of the DEIR.
- Air Pollution Control District – See attached referral response dated July 6, 2012, which recommends an air quality and GHG impact analysis and provides recommended mitigation measures. This analysis was conducted with the DEIR and appropriate mitigation measures are applied to the project as conditions of approval.
- Caltrans – In an email, dated August 3, 2012, Caltrans indicated that it supports the recommendations made by Public Works regarding street improvements in Santa Margarita.
- County Parks – In a response dated August 18, 2012, County Parks recommended a condition of approval for an offer-to-dedicate a 25-foot wide trail easement for the Salinas River Trail / De Anza Trail along the Salinas River. This was added as a condition of approval for the project's final reclamation phase.

The County APCD was the only agency that commented on the Draft EIR. As noted in the section above, in response to APCD's comment County Planning Staff prepared a separate criteria air pollutant inventory for existing quarry operations that is included as part of this Final EIR.

## **CONCLUSION**

The Proposed Project is an expansion to an existing land use. Various County policies promote and support mineral development in this area of the County, while balancing the protection of environmental resources.

Extensive studies have been completed to identify the potential environmental impacts and mitigation. Substantial project redesign has occurred to avoid, minimize, and balance impacts to those identified resources, and extensive mitigation is also reflected in the proposed Conditions of Approval. As discussed in Section 6 (Comparison of Alternatives) of the Draft EIR, Alternative 2 was determined to be the environmentally superior alternative. However, Alternative 2 would only partially meet the objectives of the Proposed Project. Therefore, Staff recommends approval of the Proposed Project, as described in Section 2 of the Draft EIR.

## **STAFF RECOMMENDATION**

Staff recommends the Planning Commission take the following actions:

1. Certify Final EIR, including Appendices
2. Adopt CEQA Findings, including Statement of Overriding Considerations/Findings (see Exhibit A).
3. Approve Conditional Use Permit for the Proposed Project based on the Findings in Exhibit B and conditions of approval in Exhibit E
4. Approve the Reclamation Plan Amendment based on the findings in Exhibit C and conditions in Exhibit D

## **ATTACHMENTS/EXHIBITS**

Exhibit A – CEQA Findings & Statement of Overriding Considerations  
Exhibit B – Findings for Conditional Use Permit  
Exhibit C – Findings for Reclamation Plan Amendment  
Exhibit D – Conditions of Approval for Conditional Use Permit  
Exhibit E – Project Graphics  
Exhibit F – EIR Issue Summary  
Exhibit G – Alternatives Summary  
Exhibit H – Applicant-Proposed Measures  
Exhibit I – Conditions of Approval Carried Forward from Past CUPs  
Exhibit J – Agency Referral Responses

