

August 3, 2011

John McKenzie, Project Manager
County Planning & Building Department
976 Osos Street, Room 300
San Luis Obispo, CA 93408

Re: Exceleton/Mankins Project and Draft Environmental Impact Report (DEIR)

Regarding the Exceleton Project, I would like to communicate my concerns regarding certain risks and how I believe they can be, at least partially, mitigated. Since the applicant is a petroleum *exploration* company, it is VERY likely to sell its interests to a petroleum *development* company, who in turn would likely sell to a petroleum *production* company, each with its own goals and management teams. This is the typical evolution of an oil field development project. A new management team could bring with it a shift in project goals and priorities. This potential shift represents a significant risk for both the community and the County of San Luis Obispo. Even in the unlikely event that the applicant decides to move into field development and production, we should be equally concerned with these risks since existing management could decide to change their goals and directions.

The applicant has stated that they do not intend to frac, since the shale is already fractured. While that may be their current intent, there is no guarantee that they or their successor won't decide to frac later. It would be prudent to mitigate this potential risk by a specific prohibition to frac through a condition of approval. The condition of approval should spell out the prohibitions, how must the applicant proceed if they desire to frac, and the suspension of the CUP if they are noncompliant.

Another big risk is the possibility for the Applicant, or its successor, to pursue its "legal right" to use "legal vehicles" on and across Huasna Road. The San Luis Obispo County Department of Public Works has already acknowledged that *"if the road is considered a public road open to all vehicular traffic (as is the case of Huasna Road), there is no legal authority to restrict said traffic."* The County of San Luis Obispo Planning Department plans to mitigate this risk by specifying the haul route to be across the Porter Ranch Road. The Department of Public Works goes a little farther by adding specificity to these requirements, which is a step in the right direction. **But absent a specific prohibition of the use of Huasna Road, the applicant could have a legitimate argument to opt to use Huasna Road**, especially when Porter Ranch Road is closed due to weather.

I recommend the County add a condition of approval specifically prohibiting the use of Huasna Road for all *Material/Product Hauling and Large Construction Equipment*, similar to the condition of approval that the County of Santa Barbara used for the Diamond Rock Sand, Gravel Mine and Processing Facility. Attached is a copy of said condition of approval (Item #34.)

I recommend that the condition have certain specific inclusions:

1. Prohibits truck traffic through the nearby town of Arroyo Grande.

2. Specifically prohibits the use of said vehicles on the following routes: Huasna Townsite north of the exit from Mankins Ranch, Huasna Road, Branch Mill Road, School Road, East Cherry Lane, and Traffic Way.
3. Specifically prohibit the increase in number of Truck Trips per day beyond that stated in the EIR.
4. Any proposed change to the truck trip limitations shall require the project applicant to file an application to modify the project's Condition of Approval.
5. State that the violation of this condition alone will trigger the suspension of the project's Conditional Use Permit until the approval of a modification to said CUP.

The inclusion of a condition of approval which meets these ends will serve two purposes. First, it will deter the applicant from considering the use of an alternate route when they are forced to shut down production due to Porter Ranch Road being closed for weather. And second, it will strengthen the County of San Luis Obispo's position to enforce the provisions of the Conditional Use Permit, if issued.

Grant Dorman
8990 Huasna Road
Arroyo Grande, CA 93420

A handwritten signature in black ink, appearing to read 'Grant Dorman', with a long horizontal flourish extending to the right.

32. **Project Area Lighting.** Lighting installed at the Processing Area shall have a low glare design, and shall be hooded to direct light downward onto specific areas of the Processing Area. Light fixtures shall be shielded so that neither the lamp nor the related reflective interior surface shall be directly visible outside the Processing Area, and light levels at the perimeter of the Processing Area shall not exceed 0.5 foot candles. **Plan Requirements and Timing:** The applicant shall submit a lighting plan to County Planning & Development for review and approval, specifying the height, location, and intensity of all site lighting. An arrow should be included for each light fixture which indicates the direction of light being cast by such fixture. The plan shall also include a time management component which calls for the reduction of lighting to minimal security levels when there are no nighttime operations. The plan shall be submitted to County Planning & Development for review and approval prior to issuance of a land use permit. **Monitoring:** Ensuring the proper installation and use of lighting fixtures shall be included in the annual SMARA mine inspections by the County.

Cultural Resources

33. **Resource Discovery.** In the event archaeological remains are encountered during grading, work shall be stopped immediately or redirected until a P&D qualified archaeologist and Native American representative are retained by the applicant to evaluate the significance of the find pursuant to Phase 2 investigations of the County Archaeological Guidelines. If remains are found to be significant, they shall be subject to a Phase 3 mitigation program consistent with County Archaeological Guidelines and funded by the applicant. **Plan Requirements and Timing:** This condition shall be printed on the construction and mining plans. **Monitoring:** County Planning & Development staff shall check mining plans prior to approval of the land use permit.

Agriculture

No Conditions

Project Specific Conditions

34. **Limitations on Project-Generated Truck Trips.** Truck traffic to and from the Diamond Rock project site shall be prohibited through Ojai. The truck trips generated by the Diamond Rock mine that the project EIR assumed would travel through Ojai (20 percent of the project-generated traffic) shall not be re-routed in other directions. As a result of this condition, the average and maximum annual project-generated truck trips will be reduced by 20 percent when compared to traffic generation rates evaluated by the project EIR. Condition No. 1 (Project Description) has been revised and reflects the truck trip limitation requirements of this condition.

Any proposed change to the truck trip limitations required by this condition shall require the project applicant to file an application to modify the project's Conditional Use Permit. Planning & Development shall provide copies of the permit modification application to the Ventura County and City of Ojai Planning Departments. The application to modify 03CUP-00000-00037 shall be considered by the Santa Barbara County Planning Commission at a publicly noticed hearing. Notice of said hearing shall also be provided to the Ventura County and City of Ojai Planning Departments, and notices shall be provided in a newspaper of general distribution in the Ojai area in accordance with Santa Barbara County noticing procedures.

35. **Project-Generated Truck Traffic Monitoring.** Daily weight receipt records for material hauling trucks leaving the project site shall be made available for inspection by the County. The weight receipts shall also indicate the origin location of the truck, destination of the truck, and the time it left the project site. The permittee shall keep at least the previous 365 days weight receipts on file at the project at all times.
36. **Regional Permit Monitoring Program.** Upon the effective date of a permit monitoring condition imposed by the County of Ventura on aggregate mines in Ventura County, the permittee shall participate in a permit monitoring program developed by the County Ventura and the County of Santa Barbara for the purpose of uniform permit condition monitoring by both jurisdictions. The program shall apply to this project as well as other relevant projects in both counties (i.e., mines for which at least 50% of the traffic uses State Route 33).
- 37.

In regard to truck monitoring, the joint monitoring program may include, but is not limited to, the following elements:

- a. Traffic monitoring devices (counter hoses, etc) at or near the project entrance that record the timing and/or identification of trucks arriving and departing the project.
- b. Use of public employees or consultants hired by the count(ies) to monitor and record truck movements in Ventura, Santa Barbara, Kern and/or San Luis Obispo Counties.
- c. Review on demand the project weigh tickets as requested by public employees or County authorized consultants. Toward this end, the permittee shall keep at least the previous 365 days weigh tickets on file at the project at all times.

The cost of this program, including any consultant or County staff costs, shall be borne by the participating projects based on their pro rata share of the total mining traffic (i.e. previously permitted trips and any additional trips approved by this or future modifications to this permit) generated by the participating projects.

38. **Truck Identification.** Upon the effective date of a truck identification condition imposed by the County of Santa Barbara on aggregate mines in Ventura County, the permittee shall participate in a truck identification program developed jointly by the mine