

APR 17 2015



# Las Pilitas Resources, LLC

Commitment • Integrity • Responsibility

Board of Supervisors  
San Luis Obispo County

Board of Supervisors  
San Luis Obispo County  
1055 Monterey Street, 4th Floor  
San Luis Obispo, CA 93408

April 16, 2015

Dear Supervisors:

In advance of the upcoming hearing on the Las Pilitas Resources Quarry project on May 12, 2015, we wanted to take a moment to correct some of the misconceptions about the project that unfortunately pervaded at the Planning Commission hearings. We feel strongly that once you understand the true facts of this project, you will see that many of the "Findings" by staff are contradictory to and inconsistent with the EIR's conclusions and other facts in the record. In actuality, there are many reasons to approve the project. Enclosed for your consideration is a detailed response to the denial findings that we believe provides the Board with the reasons why the denial cannot be upheld on appeal. We provided this response to your Planning Director last week and encourage you to review it prior to the appeal hearing. However, because that is a lengthy document, we have summarized the main points for you as follows:

**Staff Findings 1(a), 2(b) and 4(a)** state in various ways that the project is inconsistent with certain Conservation and Open Space Element (COSE) visual goals. Staff feels the State Route 58 "scenic corridor" would be impacted. Staff also finds the project incompatible with the community of Santa Margarita for health and safety reasons.

**Fact:** First and foremost, there is no requirement in the findings for a Conditional Use Permit that a project be found specifically compatible with the COSE before it can be approved. Rather, Title 22 Section 22.62.060(C)(4)(a) only requires a finding that the project is consistent with the Land Use Element of the General Plan. The Las Pilitas Quarry Project is consistent with the Land Use Element. *(See Sections 1(a)-i, 2(b) and 4(a) of the Detailed Response.)*

**Fact:** There is no established or identified scenic view corridor on Highway 58, nor does staff take into account the already existing Santa Margarita Quarry visual impacts to the immediate area. *(See Sections 1(a)-ii, 2(b) and 4(a) of the Detailed Response.)*

**Fact:** Staff's allegations of health and safety concerns for the community of Santa Margarita) are completely at odds with the conclusions in the EIR on these topics, and are not supported by any other evidence in the record. *(See Sections 2(b) and 3(b) of the Detailed Response.)*

**Staff Finding 1(b)** states the project is inconsistent with certain COSE mineral resources goals. Staff feels the need for the project would not outweigh its visual and environmental impacts.

**Fact:** The State of California estimates that San Luis Obispo County will run out of aggregate by the year 2026 if new reserves aren't permitted. Even with the proposed Santa Margarita Quarry expansion-- assuming it gets County approval-- the aggregate shortfall is still expected to be more than 150 million tons over the next 50 years. There are no other proposed aggregate projects in SLO or Santa Barbara Counties. *(See Section 1(b) of the Detailed Response).*

**Fact:** Again, there is no requirement in the findings for a Conditional Use Permit that a project be found compatible with the COSE before it can be approved, only the Land Use Element.

**Staff Findings 1(c), 2(a), 3(a) and 4(b)** state the project is inconsistent with the Noise Ordinance due to truck noise, operational noise, and blasting.

**Fact:** Staff disagrees with their own EIR, which states that project truck traffic would cause a noise increase of just 1.9 dBA, which it considers "not substantial". The EIR notes that increases below 4 dBA are usually not considered substantial. *(See Sections 1(c)-i, 2(a), 3(a) and 4(b) of the Detailed Response.)*

**Fact:** Noise levels attributed to project truck traffic would be below the County's threshold of significance of 60dBA, except for two locations where the noise level already exceeds that level. The increases would only be 0.7 and 1.9 dBA at those locations. *(See Sections 1(c)-i, 2(a), 3(a) and 4(b) of the Detailed Response.)*

**Fact:** The County's threshold for operational noise *could* be exceeded by 1.7 to 2.9 dBA at the two nearest residences, but only during the first two phases of quarry operations. Noise studies clearly document that a 3dBA increase in sound level is generally not noticeable to the human ear. In addition, the EIR notes that there are several mitigation measures available that could reduce operational noise by 5-7 dBA, bringing the project back into compliance with the Noise Ordinance. *(See Sections 1(c)-ii, 2(a), 3(a) and 4(b) of the Detailed Response.)*

**Fact:** The EIR's conclusions about blasting and vibrations do not support staff's Denial Finding 1.c. Blasting would only occur about 20 times a year, or less than twice per month, for less than 2 seconds. This means that blasting noises would be heard for less than 40 seconds out of the entire year. Blasting will be monitored to ensure that acceptable noise levels aren't exceeded. The EIR also notes that ground vibrations from project operations and blasting will not be significant. *(See Section 1(c)-iii of the Detailed Response.)*

**Staff Finding 1(d)** states that denial of the proposed project would not preclude or set precedence for future mining projects within the EX1 combining designation area.

**Fact:** Denial of the proposed project absolutely would preclude and set precedence for any future mining projects within the EX1 combining designation area. Looking at the State's Geologic maps, it is difficult to imagine another quarry proposal in SLO County that would be as close to the market and Highway 101, while impacting as few immediate neighbors as the proposed quarry. If neighborhood objections and truck traffic are legitimate reasons to deny a quarry in the EX1 zone, that sets a dangerous precedent for other applications, as every mine will have these issues to some degree. In other words, if this quarry cannot be approved, it's likely no new quarries can be approved in this County. *(See Section 1(d) of the attached Detailed Response.)*

**Staff Findings 3(b) and 5(a)** state the project will be detrimental to the health, safety, and /or welfare of the general public and/or persons residing and/or working in the neighborhood of the project, and/or be detrimental and/or injurious to property and/or improvements in the vicinity of the project.

**Fact:** The EIR studied pedestrian movements across El Camino Real at Encina Avenue and found that the potential effects of the project related traffic were nominal and “mitigable through improvements that will increase pedestrian safety.” (See Sections 3(b)-i and 5(a) of the Detailed Response.)

**Fact:** Denial Finding 3.b refers to the “vertical curve” on Estrada Avenue (SR 58) near the elementary school crossing, saying it obscures driver views of the crossing, as well as alluding to general safety concerns for school children along the haul route. However, the EIR concluded that “the potential interference with visibility at the school crossing is considered a less than significant impact,” because trucks can see the crosswalk from 350 feet away, and required no mitigation. (See Sections 3(b)-ii, 5(a) and 5(b) of the Detailed Response.)

**Fact:** Denial Finding 3.b also lists incompatibility with bicyclists on SR 58 as one of the reasons for denying the project. However, the EIR studied the impact of truck traffic on bicyclists, and concluded that the impact was less than significant. (See Section 3(b)-iii of the Detailed Response.)

**Staff Finding 3(c)** alludes to public concerns about truck emissions through the town of Santa Margarita.

**Fact:** The EIR studied this exact issue, and found it insignificant. Unsubstantiated “public concerns” are not a valid basis for a project denial. The APCD found that all air-related impacts of the project were either less than significant, or could be mitigated to acceptable levels. (See Section 3(c) of the Detailed Response.)

**Staff Finding 4(c)** states that truck traffic generated from the proposed quarry will pass through the residential neighborhood along Estrada Avenue and through downtown Santa Margarita along SR 58, which would compromise the small town, rural character of the community.

**Fact:** Staff seems to be objecting to the location of SR 58, not the project itself. Santa Margarita is a “trucking town”; the Santa Margarita Quarry has been operating just outside of town for nearly a century and has a permit to run as many as 588 truck trips per day through downtown. Caltrans estimates that, on average, 447 trucks per day pass through Santa Margarita. (See Section 3(c) of the Detailed Response.)

**Fact:** The EIR states: “Currently, large trucks regularly travel through the downtown center of Santa Margarita.... Large truck traffic along this stretch is common, due to the existence of a local trucking company and a truck repair operation, as well as trucks servicing the nearby Hanson quarry and other businesses.” It also concludes “The overall percentage of heavy truck traffic on SR 58 and area roadways is expected to remain in the existing three percent range.” There will be no significant increase in truck traffic as a result of this project, just a redistribution of existing traffic. (See Section 3(c) of the Detailed Response.)

**Fact:** The EIR also noted that: “Truck traffic will occur only on SR 58, a state-owned and maintained highway. As such, the County has no authority to limit truck trips on this route.” (See Section 3(c) of the Detailed Response.)

**Staff Finding 5(b)** states the proposed project would create significant and unavoidable impacts to transportation due to uncertainty regarding the timing of installation of needed traffic improvements.

**Fact:** The EIR studied the traffic volumes, safety, and levels of service in detail and found that the project would not have any significant impact on current traffic or levels of service, even using implausibly high truck trip numbers. Any contributions to *future* 2030 traffic congestion, which would occur even without the project, could be fixed with the installation of a traffic signal, which the quarry would help pay for. The possibility that there may be delays installing the signal, outside of the quarry's control, is not a legitimate basis for denying the project, particularly when the quarry has agreed to pay its fair share. *(See Section 5(b) of the Detailed Response.)*

**Staff Finding 6** states that the Environmental Coordinator has found that there is evidence that the project may have a significant effect on the environment, which is a reason for denying the project.

**Fact:** This Denial Finding states, in sum, that the Final EIR for the project has provides evidence to deny the project. As detailed above, however, most of the Denial Findings are directly at odds with, or misstate, what is in the EIR and the record. *(See Section 6 of the Detailed Response.)*

**Staff Finding 7** states there are insufficient specific, overriding economic, legal, social, technological, or other benefits of the project that outweigh the significant effects on the environment.

**Fact:** This Denial Finding does not list or even consider the economic, legal, social, technological, or other benefits of the project; it simply assumes that they are not enough to overcome the Class I impacts of the project. As discussed above, many of the "impacts" are simply misstated by staff, and others can be mitigated or addressed via Conditions of Approval. *(See Section 7 of the Detailed Response.)*

**Fact:** As set forth in the State's study, the need for additional aggregate in this County is approaching critical levels. Unless new sources are permitted, the current supply is expected to run out by or before 2026. The State Mining & Geology Board recently designated the project's granite deposit as one of Regional Significance, meaning it is expected to play a significant role in maintaining and developing local infrastructure over the next 50 years. It also means that local governments must consider the regional importance of the rock before denying a project. *(See Section 7 of the Detailed Response.)*

**Fact:** The project can improve greenhouse gas emissions by reducing the need to import aggregate from outside of the County. Studies show that adding a new quarry to a market can have a huge impact on reducing greenhouse gas emissions. Having a reliable supply of local aggregate is vital to achieving the environmental goals of both AB 32 and SB 375. *(See Attachment K of the Detailed Response.)*

**Fact:** The addition of another quarry in North County will foster competition and keep prices low for public works projects. It will also reduce the need to import aggregate from outside the area when certain products aren't available at the other two quarries. All of this will save money for taxpayers and help local road maintenance budgets. *(See Section 7 of the Detailed Response.)*

**Fact:** The project will create jobs, will contribute toward pedestrian safety improvements on SR 58, and will provide the local school district with an annual donation to fund the cost of a crossing guard, which will make the local streets safer for children. *(See Section 7 of the Detailed Response.)*

In sum, approving the Las Pilitas Resources Quarry will have widespread benefits for the County as a whole. For more detail and citations for each of these facts, please review the attached letter and exhibits, and feel free to contact Ken Johnston, Project Manager, with any questions at 610-7186.