

Revised Project Description for the Las Pilitas Quarry

September 11, 2017

I. Introduction

Las Pilitas, LLC, the applicant for a Conditional Use Permit to establish the Las Pilitas quarry adjacent to State Route 58, 5 miles east of Santa Margarita, hereby proposes to revise the Project Description that was originally submitted with the application to the San Luis Obispo County Planning and Building Department on May 8, 2017.

In proposing these changes, the applicant has given careful consideration to three primary factors:

- The comments received in response to the Notice of Preparation and at the August 15, 2017 Public Scoping Meeting held in Santa Margarita.
- The need for a fresh traffic analysis based on market demand for the product to be produced by the quarry rather than the gross assumptions on truck traffic and maximum production contained in the November 2014 EIR.
- The limited response by CEQA consultants to the County's RFP.

This document outlines the particulars of the Revised Project Description. In addition, this document includes a request by Las Pilitas, LLC to revise and reissue the project RFP as soon as possible for the preparation of a new, stand-alone Environmental Impact Report for the Revised Project.

II. The Revised Project Description

The applicant is requesting a conditional use permit for the operation and phased reclamation of a hard rock aggregate surface mine, with a maximum annual extraction of 250,000 tons. The project will result in the disturbance of approximately 60 acres on two parcels that total approximately 234 acres in size. The proposed project is located at 6660 Calf Canyon Way (north side of Highway 58), east of the Salinas River Bridge and approximately ¼ mile west of the Parkhill Road intersection, and approximately three miles east of the community of Santa Margarita. The site is in the Las Pilitas planning area, within the Rural Lands category and the Energy Extractive Combining Designation Overlay.

Implementation of the proposed project would occur in three overall stages consisting of the following components:

1. Initial Stage: This stage would consist of the initial grading and harvesting of material in order to create the stockpiling and sales area near the center of the site, the construction of the access road and storm water detention basin, and installation of a truck scale, portable office, and landscaping. The production of aggregate material would start with removing and stockpiling overburden for future reclamation use, and excavating, processing and stockpiling decomposed granite (DG) and granite rock for sale. This initial extraction would occur towards the center of the site, in order to create space for the truck scale and portable office, then extend towards the north and northeast. Processing of excavated material will be done by portable crushing and screening equipment as needed. Depending on market demand and the amount of stockpiling space available during construction, this phase would likely yield between 70,000 and 150,000 tons of material annually, and could last up to 5 years prior to the "Ongoing

Operational Stage.” This initial stage is identified as Phase 1A on the grading and reclamation plans submitted with the application.

2. Ongoing Operational Stage: Consists of the continued excavation, processing and stockpiling of DG and granitic rock at an annual rate dependent on market demand, but not to exceed a maximum of 250,000 tons/year. Rock would be processed by portable equipment. Reclamation would proceed as the benches of the mine are excavated and established. The eastern slope, a small portion of which would be visible to eastbound traffic on SR58, would be the first area to be reclaimed. Mining would continue to the north and west, behind the ridge located to the west of the entrance. As mining progresses through a smaller phase of the project, reclamation would start within one year of excavation within that area.

Operational Details: Mining operations would commence with clearing of vegetation and soil from the area of excavation. Any suitable overburden would be stockpiled for re-use during reclamation and revegetation, as required by SMARA. The aggregate material would be removed by a wheel loader, hydraulic excavator and/or crawler tractor for sorting by size and then stockpiled for sale. In the event that the source material becomes too consolidated to be excavated, the aggregate would be loosened by blasting. This would involve air drilling into the source material and controlled detonation. All blasting would be performed by a California Licensed blasting contractor. The material would then be sized, sorted, and stockpiled for processing. This processing would use permitted diesel-powered portable equipment brought on to the site as needed, depending on market demand. Products will include rip rap and crushed rock of various sizes. A portion of the high quality material will be sorted for use in the manufacturing of building materials and sold for specialty applications. The remainder of the material would be sold for commercial applications that do not require high quality specifications (e.g., road base). At the point of sale, smaller material would be loaded in trucks by a front end loader, while large rocks would be loaded with a hydraulic excavator. Trucks would proceed to a scale for weighing, ticketing, and scheduling before leaving the site.

The quarry would operate on weekdays only, approximately 250 days per year, perhaps fewer if there are periods of persistent, inclement weather. Hours of operation would be from 6:00 A.M. to 5:00 P.M., and no nighttime operations are proposed.

3. Reclamation and Revegetation: Reclamation of the site would consist of slope preparation and revegetation. As the mining of designated areas is completed and operations have moved on from one bench to the next, the slope of the processed areas would be contoured for revegetation. The finished slopes will be no greater than 1.5 feet horizontal for every 1 foot of vertical drop, with a 25-foot wide bench every 50 vertical feet. Benches would be sloped back into the hill for a natural appearance, with a swale at the bottom of the slope to control any runoff or debris. The original overburden that was saved on site would be placed back on top of the finished slopes. The slopes would then be planted with a California native seed mix prior to the rainy season to prevent erosion. Establishment of the vegetation would occur per the requirements of SMARA and the approved reclamation plan for the site. Upon completion of the mining project, the revegetated site would be returned to ranching and grazing land.

III. Summary of Changes to the Project Description

For the ease of reference, the changes of the Revised Project Description are summarized as follows:

- **Reduced Annual Tonnage:** The Revised Project Description proposes a maximum production of 250,000 tons per year in contrast to the original application which called for a maximum of 500,000 tons per year. This represents a 50% reduction in the maximum allowable annual extraction of rock from the quarry.
- **Removed Recycling Component:** This project description eliminates the recycling operation that was evaluated in the previous EIR which would have involved accepting up to 1500 tons of material for recycling daily. Removing the recycling operation will further reduce truck trips by 14% over the original project on Estrada Road.
- **Physical, Operational, Phasing, and Reclamation Plans:** With the exception of the reduction in annual tonnage of extraction and the elimination of the recycling component, the physical, operational, phasing, and reclamation plans for the quarry remain identical to the original project. This includes access to the site, the proposed improvements to the site, the proposed drainage components, the phasing of the quarry, and the eventual reclamation of the quarry as outlined later in this section.
- **Reduced Blasting:** By cutting the annual tonnage in half, blasting would be necessary only 12 times per year under this project description versus the 20 times per year under the original project. This represents a 40% reduction in blasting events, and such events would be allowed to occur only after 9 AM in the morning until 5 PM in the afternoon so as not to conflict with nighttime noise standards for nearby residential land uses.

The new Project Description as outlined above is now identical to the “Reduced Project Alternative” that was described in the applicant’s May 8, 2017 cover letter submitted with the application, with the notable exception of the deletion of the “Alternative Truck Route” option as described in that same cover letter.

IV. **Anticipated Effects of the Revised Project Description**

The project revisions are intended to respond to the public and agency comments received as a result of the project Notice of Preparation and public scoping meeting. Based on the overall reduction in the project scope discussed above, it is anticipated that the revised project would have the following effects, when compared to the project as originally proposed:

- **Reduced truck trips:** By cutting the annual production of the quarry in half and eliminating the recycling component, it should reduce both the average daily truck trips and the maximum daily truck trips by over 60%, compared to the truck trips assumed in the November 2014 FEIR. The new EIR should conduct a fresh traffic analysis of truck trips based on market demand that should result in a more accurate depiction of truck trips associated with the quarry.
- **Reduced greenhouse gas emissions:** With the passage of SB 748 since the previous FEIR was published and the current regulatory focus on the overall reduction of project “vehicle miles traveled” (VMT), the new EIR will need to evaluate both the impacts of the proposed quarry on greenhouse gas emissions, as well as the impacts of greenhouse gas emissions associated with the current VMT required to haul similar product from other outside sources based on limited local availability and increased market demand.

- **Reduced environmental impacts:** This new reduced project is also expected to have an overall reduction in impacts when compared to the previous project as it relates to reducing truck traffic and noise impacts through downtown Santa Margarita. This should also reduce land use compatibility conflicts, and retain Santa Margarita's community character.

V. Why the Revisions?

These revisions to the Project Description stem from the applicant team listening to the community and the public comments made in response to the Notice of Preparation and at the public scoping meeting held in August 2017. It is clear there is an overall misunderstanding and ongoing misperception with respect to both the size of the project the applicant was seeking, and the the truck trips that were estimated in the 2014 EIR for the original project. The clearest way to rectify that was to significantly reduce the scope of the project. A further impetus to changing the project description to focus on a new, smaller project was the lack of response to the County's Request for Proposals that had emphasized reliance upon the November 2014 EIR. Those reasons and others are further explained below:

- **Optics:** There appears to be a general perception that the applicants were still seeking the original project that would extract 500,000 tons per year from the Las Pilitas quarry. The intent of the current project application was and still is to find a smaller-scale, compromised project that would be acceptable to both the decision-makers and the public. The purpose of using the original project description and working with the previous November 2014 EIR was to allow the public and staff to compare and contrast the original project with a smaller alternative to clearly see the differences and potential benefits. Unfortunately, resubmitting the original application gave the appearance to some that the larger project is our real interest. **It is not**, and this revised Project Description takes the previously proposed larger operation off the table.
- **A Fresh, Stand-Alone EIR:** Preparing a new project description for a smaller project allows the County to hire a consultant to prepare a stand-alone EIR focused just on the impacts of the smaller project, and will avoid confusion with the old EIR. The new EIR consultant will be vested with the discretion to reference and incorporate portions of the old EIR where appropriate, but the EIR itself will be a new, stand-alone document vetted by both County staff and the public.
- **Lack of Response by CEQA Consultants:** The County's RFP did not result in the desired competitive bids. It became apparent that CEQA consultants were reluctant to propose on the project while being asked to indemnify another consultant's previously uncertified EIR. The Revised Project Description sent out with a reissued County prepared RFP should generate more interest among CEQA consulting firms who may offer far more competitive and qualified bids under this straightforward process.
- **Concern Over the Alternative Truck Route:** Based on preliminary discussions with local jurisdictions and in response to public comments, the applicant is removing the option of the northern haul route option from the application, as it would have resulted in additional vehicle miles traveled and GHG emissions from trucking, when one of the objectives of the project is to reduce these impacts.

VI. Redrafting and Reissuing the County RFP

The applicants respectfully request that the County revise and reissue its RFP using the Revised Project Description in Part II of this letter as soon as possible, and proactively solicit new proposals from qualified CEQA consultants. We request that this letter be included as background information in the RFP so that prospective bidders can understand the purpose of these changes and use the information contained herein to help inform their bids. It is our hope that this will result in a clear, unbiased, and unambiguous EIR that will help the readers understand both the impacts and the benefits of this new, reduced project so that they can make an informed decision.