STANISLAUS COUNTY PLANNING COMMISSION

December 16, 2010

STAFF REPORT

USE PERMIT APPLICATION NO. 2010-06 CENTRAL VALLEY AG GRINDING, INC.

REQUEST: TO ALLOW AN EXISTING AGRICULTURAL PRODUCT GRINDING BUSINESS

TO EXPAND ON-SITE ACTIVITIES ON A 70± ACRE PARCEL (UNDER WILLIAMSON ACT CONTRACT NO. 73-1408), IN THE A-2-40 (GENERAL

AGRICULTURE) ZONING DISTRICT.

<u>APPLICATION INFORMATION</u>

Applicant: Central Valley Ag Grinding, Inc Owner: Paul Konzen & Mike Barry

Representative: George Petrulakis & Carrie Rasmussen -

Petrulakis, Jensen, & Friedrich, LLP

Location: 5507 Langworth Road, north of Claribel Road

and south of Patterson Road, in the

Riverbank/Oakdale area

Section, Township, Range: 32-2-10

Supervisorial District: One (Supervisor O'Brien)

Assessor's Parcel: 062-029-001 Referrals: See Exhibit "L"

Environmental Review Referrals

Area of Parcel(s): 70± acres
Water Supply: Water wells

Sewage Disposal: Septic tank/leach field system

Existing Zoning: A-2-40
General Plan Designation: Agriculture
Community Plan Designation: Not applicable
Williamson Act Contract No.: 73-1408

Environmental Review: Negative Declaration

Present Land Use: Agriculture grinding business, seasonal row

crops, and pasture

Surrounding Land Use: Livestock feed lot, dairies, agricultural uses.

and scattered single-family dwellings

SITE DESCRIPTION

The 70± acre site is located at 5507 Langworth Road, in the Riverbank/Oakdale area. The site is currently utilized in part by the agricultural grinding business operations and improved with an existing residence, an office, a barn, a calf shed, a shop, a garage, a lagoon, and open livestock shade. There is also a 12,000± square foot "grinding" building that is presently being constructed. An Oakdale Irrigation District lateral traverses the western portion of the site. The project site is designated as Agriculture in the Land Use Element of the General Plan, zoned A-2-40 (General

Agriculture - 40 acre minimum) and is currently enrolled under Williamson Act Contract No. 73-1408. A Williamson Act Contract Notice of Non-Renewal was filed by the property owner in 2006 and will expire on December 31, 2015. The surrounding land uses consist of a livestock feed lot to the north, dairies to the south and east, and crop land to the west. There are also scattered single-family dwellings throughout the area surrounding the project site.

PROJECT DESCRIPTION

This application is a request to expand on-site activities of an existing "Agricultural Commodities" grinding and storage business on a 70± acre parcel. Central Valley Ag Grinding, Inc. (CVAG) was originally permitted and established under Use Permit No. 99-11. CVAG converts agricultural waste products and "green" waste into products used in the livestock industry and ag industry as soil amendments, animal feed and animal bedding. A 1,000 KW co-generation "Syngas" unit is included in this application. More detailed information has been provided on the "Syngas" unit and can be found in the attached application information. (See Exhibit B - *Application, Project Description, and Findings Statement.*) This application will allow CVAG to reorganize on-site activities and allow the business to add approximately nine (9) acres to the permitted area that currently is used for material storage.

Part of the current and proposed operations at CVAG are permitted by the Department of Environmental Resources (DER) and regulated under Stanislaus County Code Title 9, Ch. 9.88 - Food Processing By-Products. The DER programs which CVAG is currently permitted include: 1) Stanislaus County Food Processing By-Product (Direct Feed Operation), which permits CVAG to process solid or semisolid organic substances that are the by-products of food processing; and 2) Stanislaus County Small Refuse Hauler Permit, which allows CVAG to handle, transport, and store various types of organic materials. The current application will enable CVAG to be permitted under two additional programs: Stanislaus County Food Processing By-Product (Dehydration Operation); and Stanislaus County Organic Recycling Facility Permit. This current Use Permit application will allow CVAG to apply for the activities permitted by these programs although individual permits from DER will be required prior to conducting such activities. The permits issued and regulated by DER may also include additional requirements/conditions not included in this Use Permit.

The Stanislaus County Food Processing By-Product (Direct Feed Operation) generally involves the receiving of food processing by-products which are contained on a concrete pad then mixed with hay and/or alfalfa within 24 hours. After being mixed, the end product is then used for an animal feed to feed the project applicants' own livestock. The Stanislaus County Food Processing By-Product (Dehydration Operation) at CVAG includes the receiving of peach and olive pits; although, depending on various factors, other varieties of fruit pits may be used from time to time. Once onsite, the pits are dried and ground then transported off-site. In general, peach/fruit pits are obtained from food processors including Seneca, Dole, and Del Monte. Olive pits are obtained from Musco Family Olive Company located in Tracy, California. The applicant has provided a detailed project description which has been included in the application as an attachment. (See Exhibit B - Application, Project Description, and Findings Statement.)

BACKGROUND

In October of 1999, the Planning Commission granted the current applicants (Paul Konzen and Mike Barry) Use Permit No. 99-11 (UP 99-11) on behalf of their business Central Valley Ag Grinding, Inc. (See Exhibit I - *Use Permit No. 99-11 & Mitigation Monitoring Plan.*) The intent (of UP 99-11) was to establish an agricultural product storage and grinding facility to process agricultural waste/products (orchard prunings, almond hulls, rice, corn, etc.), green waste, and other organic matter to produce various materials utilized by the agricultural community. Since the time UP 99-11 was approved, CVAG has continually operated on the project site and has had two minor expansions which were granted through the Planning Department's Staff Approval process. (See Exhibit J - *Staff Approval Permit Nos. 2002-01 & 2004-138.*)

In 2006, CVAG was notified by the County's Code Enforcement Division (DER) of a complaint that was received which stated CVAG was processing materials that may be outside the limits of UP 99-11. As a result of the Code Enforcement notification, CVAG submitted an application to the Planning Department for a Rezone and General Plan Amendment. This application would have allowed CVAG to receive and process a variety of materials not allowed in the A-2 zoning district and not permitted under their original use permit. After submitting this application, CVAG decided to scale back site activities to those which were approved under UP 99-11 and withdraw the Rezone and General Plan Amendment application. The purpose of this current Use Permit application is to allow CVAG to re-organize the site layout and to expand the description of the allowable on-site uses/activities to reflect the changes in the recycling needs of the community.

DISCUSSION

The overall layout of CVAG's on-site activities consists of an area for material loading/unloading, sorting, and grinding situated on the eastern portion of the property. Just west of this "grinding" area is a portion of the property that is used for raw and processed material storage/solar drying. (See Exhibit A - *Maps & Site Plan*.) This current application, if approved, would allow CVAG to reorganize the layout of their on-site activities and better define the allowable uses permitted under a Tier One Use Permit. If the Use Permit application is approved, the number of employees and vehicle trips is not expected to increase from the existing numbers.

CVAG's on-site activities can be placed into three main categories: the grinding/mixing of organic materials; the dehydration of organic materials; and the reuse or recovery of organic materials. These activities produce various materials that are used to create new products which can then be sold by CVAG. A majority of the wood materials processed on-site are used for an animal bedding product making up about 60% of the material exported from the site. The olive and fruit pits processed by CVAG make up approximately 30% of the exported product. These pits are primarily used as a raw material for DuraFlame fireplace logs. Making up the remaining percentage (10%) of materials are animal feed and soil amendments used in the agricultural community and landscaping. It's important to note that included in this application is a proposal for a Synthetic-Gas (Syngas) unit which would utilize some of the on-site waste or non-useable materials in order to operate and produce a clean energy source. The energy produced would primarily be used in powering the on-site wood chipping and grinding machines. The Syngas unit is proposed to be next to the grinding building and would be placed on a concrete pad. The unit is not expected to increase existing noise levels on the project site as it incorporates sound reduction technology commonly used in back-up generators at facilities such as hospitals or office buildings. The unit

is also considered to be acceptable in terms of emission standards and is not expected to negatively effect air quality. Use of the Syngas machine may also reduce the amount of material needing to be transported off-site as it will give CVAG the ability to utilize these otherwise unusable materials as fuel for the Syngas machine.

As previously noted, the project site is designated Agriculture and zoned A-2-40 (General Agriculture - 40 acre minimum). The original approval for the CVAG facility was considered to be, and classified as, a Tier One use which is a permitted use in the A-2 (General Agriculture) zoning district with approval of a Use Permit. Tier One uses are defined as being "closely related to agriculture and are necessary for a healthy agricultural economy." In order to approve a Use Permit for a Tier One use, the Planning Commission must make the following findings:

- The establishment, maintenance, and operation of the proposed use or building applied for is consistent with the General Plan designation of "Agriculture" and will not, under the circumstances of the particular case, be detrimental to the health, safety, and general welfare of persons residing or working in the neighborhood of the use and that it will not be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the County; and
- 2. The use as proposed will not be substantially detrimental to or in conflict with agricultural use of other property in the vicinity.

In reviewing the current application, Staff has determined that there are two key areas of concern that require Planning Commission determination as to whether they are appropriate uses under a Tier One Use Permit in the A-2 zoning district. The first area of concern is related to the types of material which could be considered appropriate for the facility to accept and process. Generally, CVAG creates a "finished product" by obtaining raw materials from various agriculturally related sources. Due to the seasonal nature of these agricultural material sources, raw materials are not consistently available year round. The application indicates that CVAG would like to be able to supplement their raw material intake by being able to process a limited amount of "non-agricultural" related materials such as dimensional lumber or construction waste. CVAG has indicated that allowing them the flexibility of supplementing the source of raw materials will allow them to maintain production levels and help keep the business viable.

The second area of concern is related to the type of vehicle traffic entering and leaving the facility. A detailed vehicle count was submitted by CVAG showing the total number of vehicles entering/leaving the facility from 2006-2010. (See Exhibit B - *Application, Project Description, and Findings Statement.*) This traffic count information is separated into two categories of vehicles: Trucks; and Other Vehicles. The category of Trucks refers to vehicles commonly referred to as semi-trucks and Other Vehicles refers to all other types of vehicles including pick-up trucks. In reviewing the vehicle count information, Staff found that the number of Other Vehicles entering/leaving the site is over three times the amount of Trucks. The majority of the Other Vehicle trips are generated from the general public and/or landscape contractors who utilize CVAG in disposing of green waste (yard clippings, etc.). The question arises: Should CVAG be allowed to continue providing a "drop-off" service to the general public? Generally, it has been viewed that a Tier One use, such as CVAG, should primarily serve the agricultural community; however, there

is no clear cut ratio or percentage to analyze what "primarily serving the agricultural community" translates to. CVAG has stated that although Other Vehicles make up a large precentage of the vehicle traffic, they are only responsible for generating approximately 10-20% of the raw material received annually.

Support / Opposition

Staff was contacted by three surrounding landowners who voiced their concerns relating to the CVAG facility. The landowners' property is located south and southeast of the project site. Two are on ranchette parcels along Claribel Road and one is on Langworth Road south of the Claribel/Langworth intersection. The three landowners met with (DER) and Planning Department Staff on two separate occasions to discuss concerns related to: noise generated from grinding activities; truck traffic; dust; and odors. After reviewing the concerns and discussing various aspects of the CVAG application, the main issue (voiced by the landowners) focused on possible nuisance odors related to CVAG's food processing by-product activities. Staff was provided with a petition (in opposition) that was circulated by these surrounding landowners as well as a letter of opposition. (See Exhibit G - Letter & Petition in Opposition of Project.) Staff has included a map of the landowners' property locations based off the signed petition, which can be seen in Exhibit G - Letter & Petition in Opposition of Project. Other concerns raised by the landowners were related to traffic and noise issues. The traffic issues raised focused on the negative impact CVAG vehicles could potentially cause to county roadways. The Department of Public Works has conditioned this use permit to require CVAG to pay a fee of \$0.055 per ton for material entering or leaving the property via County roadways. This fee is collected to offset future maintenance costs to Langworth Road. (See Exhibit C - Conditions of Approval - No. 18.) As mentioned above, the concerns related to noise have mainly been tied to the on-site grinding activities. The applicant is currently constructing a "grinding building" which will house all grinding activities and is expected to significantly reduce the noise generated by CVAG.

The main component of CVAG's processing of food by-products is the solar drying of "pits" and "wet material". These activities are, and will be, conditioned by a separate permit which is issued by DER under the Stanislaus County Food Processing By-Product Use Program. (See Exhibit C - Conditions of Approval - No. 21.) This program was developed to assist in preventing nuisance conditions including excessive objectionable odors as a result of similar types of activities (to CVAG). The Stanislaus County Code (Title 9, Ch. 9.88 - Food Processing By-Products) provides enforcement abilities used to prevent and mitigate public nuisance conditions. Prior to being permitted by DER for such activities, a contingency plan must be incorporated into the "Plan of Operation" to address unforeseen excessive objectionable odor conditions.

The DER permits related to the issues brought forth by the surrounding land owners are required to be renewed on an annual basis. DER then has the ability to review and condition the annual permits taking into account any possible violations including nuisance odors. Some of the possible DER permit conditions might be to: limit the amount of by-products received on-site; improve or modify CVAG's management practices in handling the material; and/or place restrictions on the time of day material can be delivered/spread on-site.

It should be noted that DER and Planning Staff have been on-site multiple times and have not noted any particular objectionable odors. When viewing CVAG's site and the surrounding land uses, the question arises as to whether or not surrounding uses contribute to any of the objectionable odors which the neighbors have noted. Presently, there is a feed lot on the property directly north of CVAG that receives food processing by-products. These by-products are dried, mixed, and used to create an animal feed similar to the process in which CVAG engages. There are also two (2) dairies in the immediate project vicinity to the south and east of the project site.

As of the time this report was written, Staff has received four (4) letters of support for CVAG's application. (See Exhibit F - Letters in Support of Project.) Letters were received from both Seneca Foods and Frito Lay both of which rely on CVAG's facility to process by-products from their facilities. The remaining two (2) letters provided reasons for their support of the services which CVAG provides and a description of the services they utilize.

As part of a Public Outreach Plan devised solely by CVAG, notifications and a short survey form were sent to the surrounding landowners independent from the Planning Department's notification process. (See Exhibit K - CVAG's Public Outreach Materials & Responses.) Although CVAG was only contacted by a few landowners, CVAG invited all interested landowners to submit questions about the facility and offered tours of the existing facility. According to CVAG's independent survey, four landowners contacted CVAG via telephone to express their support of the project, one neighbor toured the facility and indicated support for the project, two landowners voiced their concerns verbally, and two landowners (husband and wife) returned CVAG's survey sheet expressing their support of the facility. (See Exhibit K - CVAG's Public Outreach Materials & Responses.)

Agricultural Buffers

The Agricultural Element of the County General Plan provides guidelines for the implementation of agricultural buffers applicable to new and expanding non-agricultural uses within or adjacent to the A-2 zoning district. The purpose of these guidelines is to protect the long-term health of agriculture by minimizing conflicts resulting from the interaction of agricultural and non-agricultural uses. Buffer guidelines for expanding non-agricultural uses require accommodation of a buffer for new non-agricultural uses where existing development on the project site will allow. Buffer guidelines for new uses (such as this proposed project) require a project to provide a 150-foot setback, solid fencing, and a double row of landscaping around the perimeter of the proposed operation.

Appendix "A" - Buffer and Setback Guidelines of the Agricultural Element allows for alternative buffers to be proposed provided the Stanislaus County Planning Commission makes a finding that the buffer alternative is found to provide equal or greater protection to surrounding agricultural uses. Alternatives proposed by a project applicant shall be reviewed and supported by the Stanislaus County Agricultural Advisory Board prior to consideration by the Planning Commission.

On September 8, 2008 and November 2, 2009, planning staff asked the Agricultural Advisory Board to support a series of 'generic', non-project specific buffer alternatives applicable to Tier 1 and Tier 2 uses such as nut hulling, shelling, dehydrating, grain warehousing, ag processing facilities (without incidental tasting rooms or sales), and other similar low people intensive uses. The Agricultural Advisory Board supported these alternatives.

The supported alternatives applicable to this project include:

- Providing an overall distance of 150 feet or greater exists between the proposed use and the property line, no vegetative screening shall be required.
- When trespassing onto neighboring property is determined not to be an issue, the fencing requirement may be waived.

No fencing was proposed given that the general public will not be on-site and the applicant feels trespassing will not be an issue. Due to the project exceeding the 150-foot distance from the western and eastern property line, no vegetative screening will be required with this project along these property lines. The southern and northern property line are approximately 60-feet from the proposed use and the applicant is proposing that no vegatative screening be required. The request for a reduced setback and no vegetative screening was reviewed and supported by the Agricultural Advisory Board at the October 4, 2010 meeting.

Williamson Act

The project site is currently enrolled under Williamson Act Contract No. 73-1408. A Notice of Non-Renewal was filed in 2006 and expires on December 31, 2015. The California State Department of Conservation Farmland Mapping and Monitoring Program identifies the project site as having soils consisting of "Unique Farmland" on one-half of the project site with a mixture of "Farmland of Statewide Importance" and "Rural Residential" on the other one-half of the site. California Government Code Section 51238.1 requires all uses located on contracted lands be consistent with the following principles of compatibility:

- 1. The use will not significantly compromise the long-term productive agricultural capability of the subject contracted parcel or parcels or on other contracted lands in the A-2 zoning district;
- 2. The use will not significantly displace or impair current or reasonably foreseeable agricultural operations on the subject contracted parcel or parcels or on other contracted lands in the A-2 zoning district. Uses that significantly displace agricultural operations on the subject contracted parcel or parcels may be deemed compatible if they relate directly to the production of commercial agricultural products on the subject contracted parcel or parcels or neighboring lands, including activities such as harvesting, processing, or shipping; and
- 3. The use will not result in the significant removal of adjacent contracted land from agricultural or open-space use.

All Tier One uses requiring use permits listed in Section 21.20.030 (A) are determined to be consistent with the principles of compatibility listed above unless the Planning Commission and/or Board of Supervisors make a finding to the contrary.

CVAG's portion of business that produces soil amendments is considered distinctive from other waste disposal uses (solid wastes, etc.) because it potentially provides a service directly to the agricultural community and potentially to the agricultural premises on which it's located by removing green waste and providing large quantities of soil amendments. CVAG also produces and provides animal bedding and animal feed used by the agricultural community. It is the applicant's belief that

the CVAG facility can be considered compatible given the finished product (soil amendment, animal feed, and animal bedding) is supplied to various types of agricultural operations. By producing products utilized by the ag community, CVAG is considered to be directly related to the production of commercial agricultural products on the subject contracted parcel or parcels or neighboring lands and will not compromise the agricultural capability of the project site or surrounding areas. The project site is currently developed with the existing business as well as a large area used for crop production. The area used for crop production will continue to be farmed as the proposed expansion will be contained within the existing footprint of CVAG's developed portion of the property. Placing the expansion within this already developed area will avoid any impacts on the existing agricultural use of the property. The project was twice circulated to the State Department of Conservation (DOC): first during the initial two-week early consultation; and then through the 30-day Initial Study review. No comments have been received to date.

Based on the specific features and design of this project, it does not appear this project will impact the long-term productive agricultural capability of the subject contracted parcel or other contracted lands in the A-2 zoning district. There is no indication this project will result in the removal of adjacent contracted land from agricultural use. Staff believes the required Use Permit findings can be made as well as the alternative buffer findings. The services provided by the facility are an important component of the agricultural economy in Stanislaus County and there is no indication this project will interfere or conflict with other agricultural uses in the area.

ENVIRONMENTAL REVIEW

Pursuant to the California Environmental Quality Act (CEQA) the proposed project was circulated to various agencies. (See Exhibit L - *Environmental Review Referrals*.) Based on the Initial Study prepared for this project, adoption of a Negative Declaration is being proposed. (See Exhibit D - *Initial Study*.) The Initial Study and comments to the Initial Study have not presented any substantial information to identify a potential significant impact needing to be mitigated; however, based on the comments received, conditions of approval have been added to this project. (See Exhibit C - *Conditions of Approval.*) All conditions of approval and mitigation measures established under UP 99-11 will continue to remain in effect. (See Exhibit I - *Use Permit No. 99-11 & Mitigation Monitoring Plan.*)

RECOMMENDATION

Based on the preceding discussion, if the Planning Commission believes the proposed use is appropriate in the A-2 (General Agriculture) zoning district, the Commission should take the following actions:

- 1. Adopt the Negative Declaration pursuant to CEQA Guidelines Section 15074(b), by finding that on the basis of the whole record, including the Initial Study and any comments received, that there is no substantial evidence the project will have a significant effect on the environment and that the Negative Declaration reflects Stanislaus County's independent judgement and analysis.
- Order the filing of a Notice of Determination with the Stanislaus County Clerk-Recorder's Office pursuant to Public Resources Code Section 21152 and CEQA Guidelines Section 15075.

3. Find That:

- A. The establishment, maintenance, and operation of the proposed use or building applied for is consistent with the General Plan designation of "Agriculture" and will not, under the circumstances of the particular case, be detrimental to the health, safety, and general welfare of persons residing or working in the neighborhood of the use and that it will not be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the County:
- B. The use as proposed will not be substantially detrimental to or in conflict with agricultural use of other property in the vicinity;
- C. The use will not significantly compromise the long-term productive agricultural capability of the subject contracted parcel or parcels or on other contracted lands in the A-2 zoning district;
- D. The use will not significantly displace or impair current or reasonably foreseeable agricultural operations on the subject contracted parcel or parcels or on other contracted lands in the A-2 zoning district. Uses that significantly displace agricultural operations on the subject contracted parcel or parcels may be deemed compatible if they relate directly to the production of commercial agricultural products on the subject contracted parcel or neighboring lands, including activities such as harvesting, processing, or shipping;
- E. The use will not result in the significant removal of adjacent contracted land from agricultural or open-space use; and
- F. The alternative to the Agricultural Buffer Standards applied to this project provides equal or greater protection than the existing buffer standards.
- 4. The project will increase activities in and around the project area and increase demands for roads and services thereby requiring dedication and improvements.
- 5. Approve Use Permit Application No. 2010-06 Central Valley Ag Grinding, Inc., subject to the attached conditions of approval.

Note: Pursuant to California Fish and Game Code Section 711.4, all project applicants subject to the California Environmental Quality Act (CEQA) shall pay a filing fee for each project; therefore, the applicant will further be required to pay **\$2,067.25** to the Department of Fish and Game. The attached Development Standards ensure that this will occur.

Report written by: Joshua Mann, Associate Planner, November 21, 2010

Reviewed by: Bill Carlson, Senior Planner

Attachments: Exhibit A -Maps & Site Plan

> Exhibit B -Application, Project Description, and Findings

> > Statement

Conditions of Approval Exhibit C -

Initial Study Exhibit D -

Negative Declaration Exhibit E -

Exhibit F -Letters in Support of Project

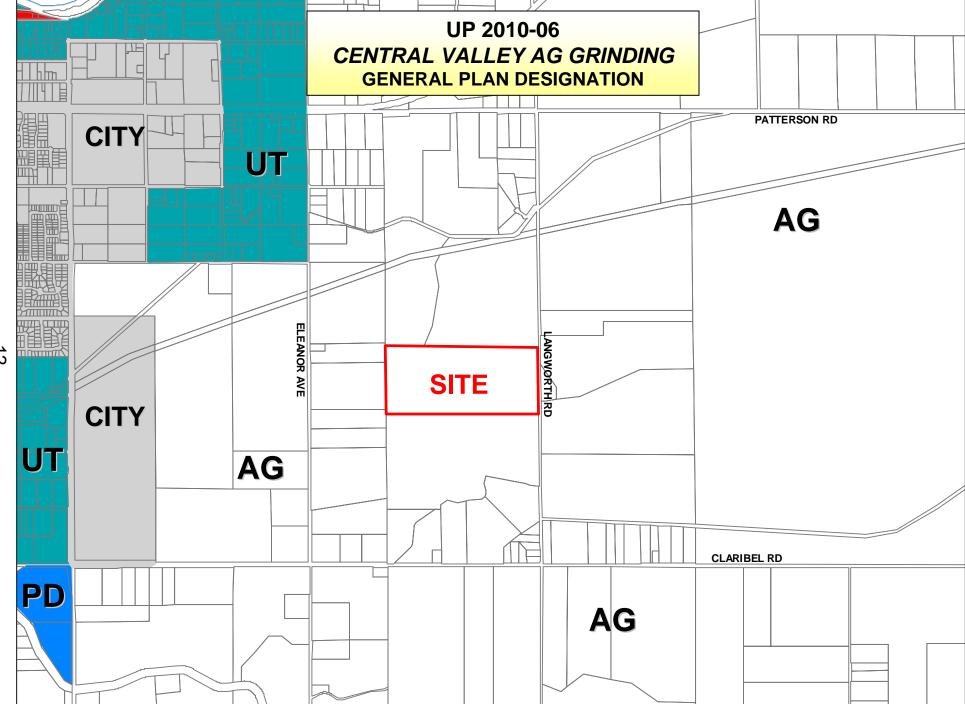
Letter & Petition in Opposition of Project Exhibit G -

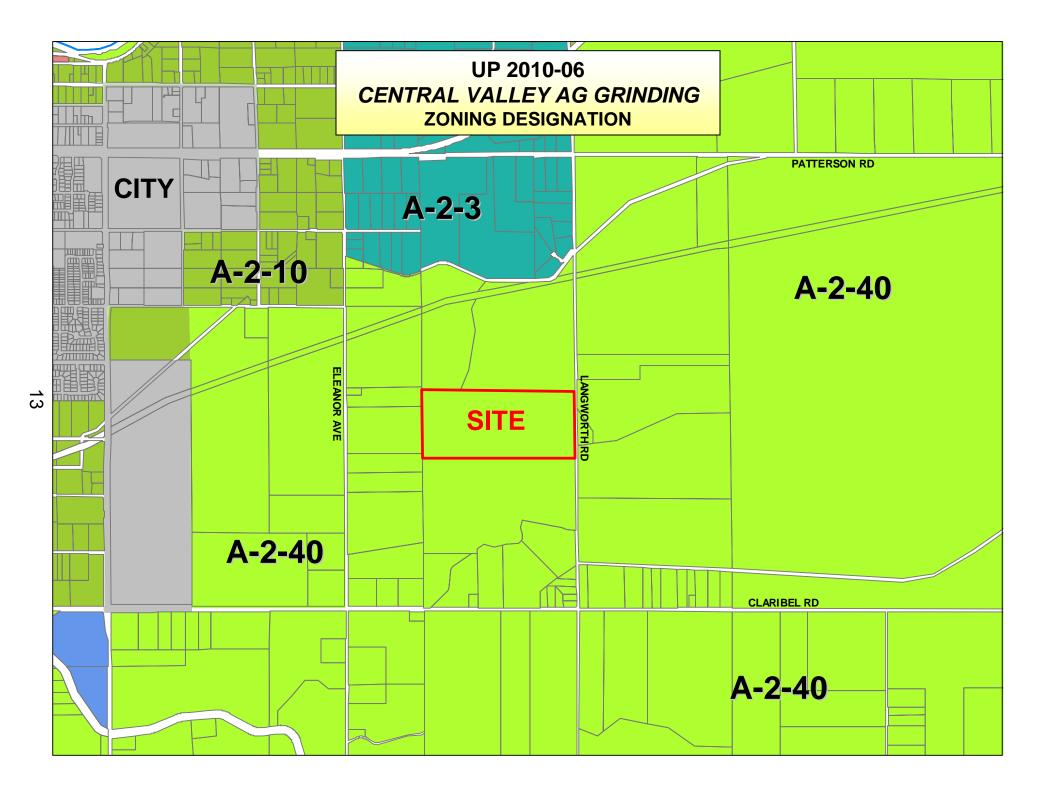
Alternative Buffer Proposal & Ag Advisory Board Exhibit H -

Minutes

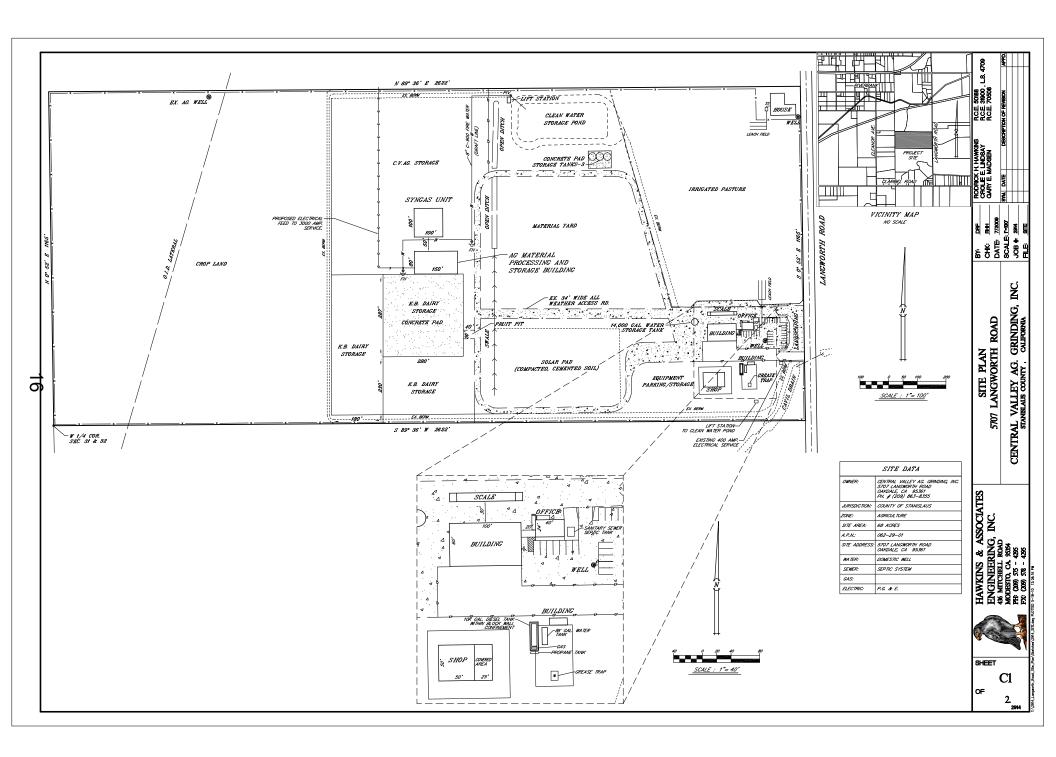
Exhibit I -Use Permit No. 99-11 & Mitigation Monitoring Plan Staff Approval Permit Nos. 2002-01 & 2004-138 Exhibit J -CVAG's Public Outreach Materials & Responses Exhibit K -

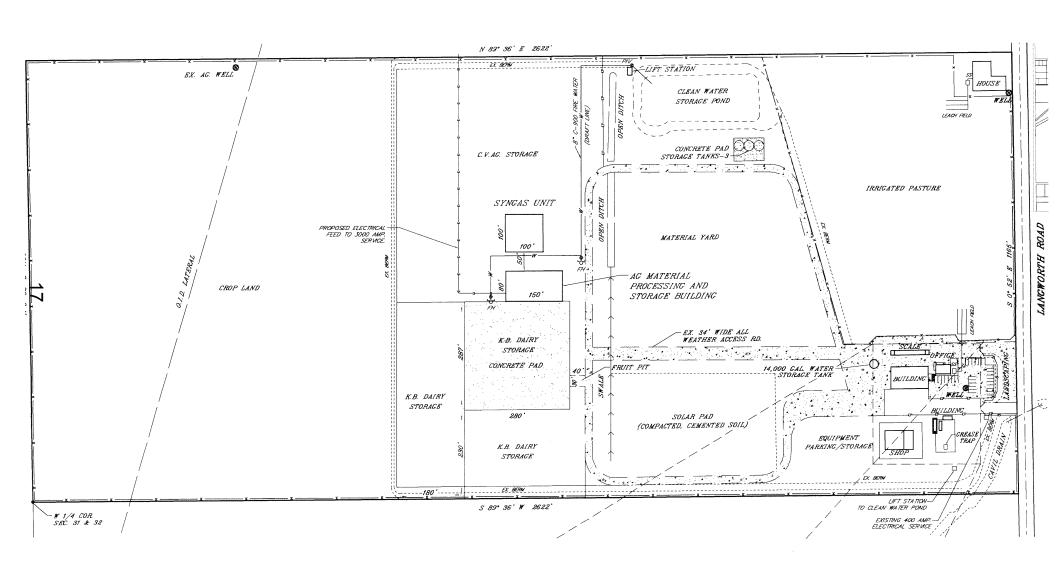
Exhibit L -**Environmental Review Referrals**

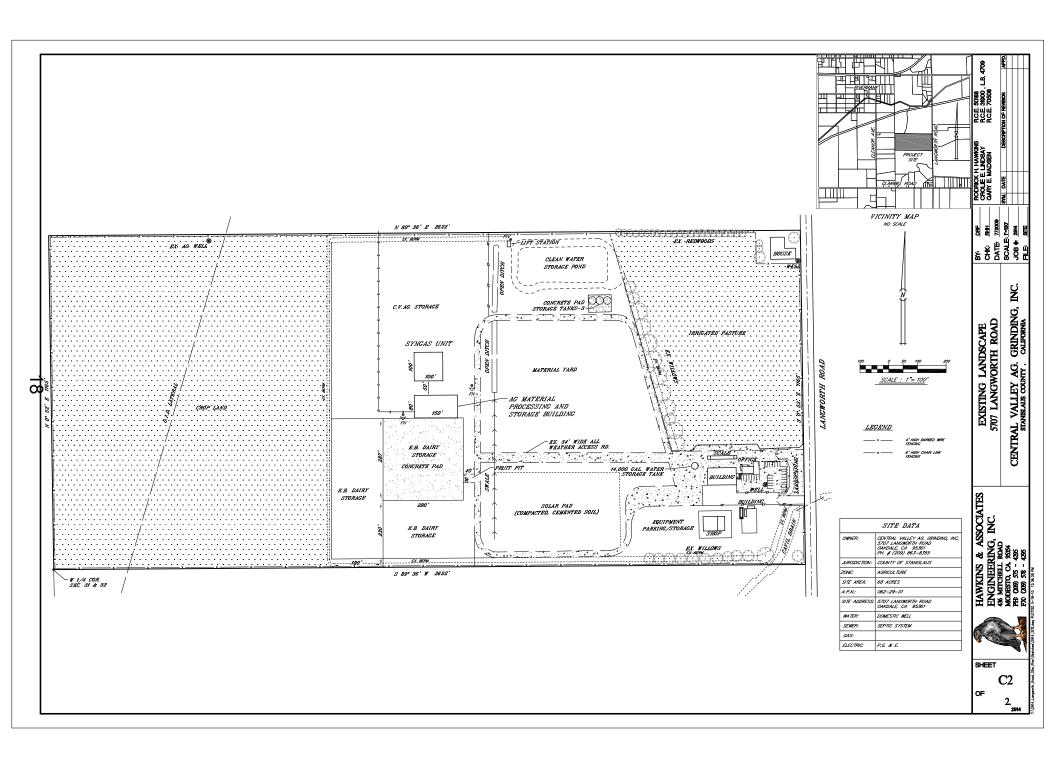




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PROJECT SITE INFORMATION

Complete and accurate information saves time and is vital to project review and assessment. Please complete each section entirely. If a question is not applicable to your project, please indicated this to show that each question has been carefully considered. Contact the Planning & Community Development Department Staff, 1010 10th Street – 3rd Floor, (209) 525-6330, if you have any questions. Pre-application meetings are highly recommended.

ASSESSOR'S PARCEL	NUMBER	(S): Book	0	62 Page	029	Parcel	001							
Additional parcel numbers:	N/A													
Project Site Address or Physical Location:	_5507 Lar	5507 Langworth Rd.												
	Oakdale,	.CA 95361	10											
Property Area:	Acres: _	68.4	_ or	Square feet: _										
Current and Previous Land U	se: (Explain	existing and p	revious	and use(s) of s	ite for the last	ten years)								
Current: material processing	g yard, shop,	agricultural ci	rops, re	sident Previou	s: a second re	sidence, dairy								
List any known previous p project name, type of project, and	rojects appr d date of appro	oved for this	s site, :	such as a Use	Permit, Parce	el Map, etc.:(Please identify							
Use Permit 99-11, Central Va	lley Ag Grind	ling, material	proces	sing yard, 10/7/	1999									
Subsequent staff approvals:	2002-01, 1/2	24/2002; 200	4-23, 3	//17/2004; 2004	1-138, 2/7/200	05								
Existing General Plan & Zor	ning: Gener	al Agriculture	, A-2				The state of the s							
Proposed General Plan & Zo	oning: N/A													
ADJACENT LAND USE direction of the project site)	: (Describe	adjacent lan	id uses	within 1,320 fe	et (1/4 mile)	and/or two pa	rcels in each							
East: Agriculture - orchard	l and pasture	<u> </u>	<u> </u>	<u></u>										
West: Agriculture - crops a	nd pasture													
North: Agriculture - livestoc	k feed yard													
South: Agriculture - crop an	d pasture													
WILLIAMSON ACT CON														
Yes 🗵 No 🗆	Is the prop Contract N	perty currently Number:	under 326	a Williamson Act 53, Book 2530, F	Contract? 221-229									
	If yes, has	a Notice of N	on-Rer	newal been filed?	ř.									
	Date Filed	la La		6/21/2006										

Yes 🗆	No	X	Do you propose to cancel any portion of the Contract?	
Yes 🗆	No	X	Are there any agriculture, conservation, open space or similar easements affecting tuse of the project site. (Such easements do not include Williamson Act Contracts)	he
			If yes, please list and provide a recorded copy:	
SITE C	HAF	RACTE	RISTICS: (Check one or more) Flat 🗵 Rolling 🗆 Steep 🗆	•
VEGET	'ATI	ON: W	at kind of plants are growing on your property? (Check one or more)	
Field cro	ps [<u> </u>	Orchard Pasture/Grassland Scattered trees	
Shrubs			Woodland ☐ River/Riparian ☐ Other ☐	
Explain C	Other:	35 acre	s - crops. 9 acres - irrigated pasture.	
Yes 🏻	No	Ø	Do you plan to remove any trees? (If yes, please show location of trees planned for removal on plan and provide information regarding transplanting or replanting.)	olot
GRADII	NG:			
Yes 🏻	No	X	Do you plan to do any grading? (If yes, please indicate how many cubic yards and acres to disturbed. Please show areas to be graded on plot plan.)	be
STREA	MS,	LAKES	, & PONDS:	
Yes 🛚	No	Ø	Are there any streams, lakes, ponds or other watercourses on the property? (If yes, please sho on plot plan)	wc
Yes 🏻	No	X	Will the project change any drainage patterns? (If yes, please explain – provide additional sheet needed)	if —
Yes 🛘	No	N	Are there any gullies or areas of soil erosion? (If yes, please show on plot plan)	
Yes 🛚	No	×	Do you plan to grade, disturb, or in any way change swales, drainages, ditches, gullies, pond low lying areas, seeps, springs, streams, creeks, river banks, or other area on the site that carrie or holds water for any amount of time during the year? (If yes, please show areas to be graded optot plan)	20
			Please note: If the answer above is yes, you may be required to obtain authorization fro other agencies such as the Corps of Engineers or California Department of Fish ar Game.	m ıd

STRUC	TUR	ES:				
Yes 🗵	No		Are there structures on the site property lines and other features	? (If yes, please shof the site.	ow on plot plan.	Show a relationship to
Yes 🗆	No	X	Will structures be moved or demo	lished? (If yes, indicate	on plot plan.)	
Yes 🗵	No		Do you plan to build new structure	es? (If yes, show location	on and size on plot	plan.)
Yes 🛚	No	X	Are there buildings of possible H size on plot plan.)	istorical significance?	(If yes, please exp	plain and show location and
PROJE	CT S	SITE CO	OVERAGE:		,	
Existing E	Buildir	ng Cover	age: <u>24,160</u> Sq. Ft.	Lands	caped Area:	perimeter Sq. Ft.
Proposed	Build	ling Cove	erage: <u>N/A</u> Sq. Ft.	Paved	Surface Area:	20 acres Sq. Ft.
BUILDII	NG (CHARA	CTERISTICS:			
Size of ne	w str	ucture(s)	or building addition(s) in gross sq.	ft.: (Provide additional	sheets if necessary	A)
			proximately 10,000 sq ft (a freesta			
			S. A. S. C. Branch		•	
Building h	eight	in feet (r	neasured from ground to highest p			
			ximum height of approximately 4			
Height of equipmen	other t, ligh	appurte t poles, e	nances, excluding buildings, meas etc.): (Provide additional sheets if nec	sured from ground to essary)	highest point (i.e	e., antennas, mechanical
N/A	***************************************					· · · · · · · · · · · · · · · · · · ·
Proposed material to	surfa be use	ace mate	erial for parking area: (Provide inf	ormation addressing du	ust control measur	res if non-asphalt/concrete
N/A						
UTILITIE	ES A		RIGATION FACILITIES:			
Yes 🗵		П	Are there existing public or private yes, show location and size on plot pla	utilities on the site?	Includes telephor	ne, power, water, etc. (If
Who provi	des, d	or will pro	ovide the following services to the p	property?		
Electrical:			PG&E	Sewer*:	Se	eptic
Telephone	:		AT&T			Miersma Propane
Water**; _		OID/w	ell/storm water retention	Irrigation:	(OID

*Please Note: A "will serve" letter is required if the sewer service will be provided by City, Sanitary District, Community Services District, etc.

**Please Note: A "will serve" letter is required if the water source is a City, Irrigation District, Water District, etc., and the water purveyor may be required to provide verification through an Urban Water Management Plan that an adequate water supply exists to service your proposed development.

Will any special or union resident or employee re	que sewage wastes be ge strooms? Industrial, chem	nerated by this developrical, manufacturing, anim	ment other than that nor ial wastes? (Please descri	mally associated with								
No.		-										
single family residence	any waste be generated lee, it is likely that Waste Detailed descriptions o	Discharge Requireme	nts will be required by	the Regional Water								
Yes ⊠ No □	Are there existing irrigation show location and size on plot	on, telephone, or power of plan.)	company easements on	the property? (If yes,								
Yes □ No ☒	Do the existing utilities, including irrigation facilities, need to be moved? (If yes, show location and size on plot plan.)											
Yes 🗵 No 🛘	Does the project require e	xtension of utilities? (If ye	es, show location and size o	n plot plan.)								
AFFORDABLE HO	USING/SENIOR:											
Yes □ No ☒	Will the project include aff	ordable or senior housing	provisions? (If yes, pleas	e explain)								
RESIDENTIAL PRO	OJECTS: (Please complet	e if applicable – Attach addi	tional sheets if necessary)									
Total No. Lots: N/	26.	g Units:N/A	Total Acreage	N/A								
Net Density per Acre: _	N/A	Gross Der	nsity per Acre:	N/A								
<i>(complete if applicable</i> Number of Units:	Single) Family	Two Family Duplex	Multi-Family Apartments	Multi-Family Condominium/ Townhouse								
Acreage:												
rioloago.		**************************************	'walionida area a sa 	***************************************								
COMMERCIAL, IND PROJECTS: (Please	OUSTRIAL, MANUFAC complete if applicable – Attac	CTURING, RETAIL, I	USE PERMIT, OR O'	THER								
Square footage of each	existing or proposed buildi	ng(s): Existing: Office-9	60 sq ft, Storage Building	g-6,000 sq ft,								
Small shed - 250 sq ft, S	hop with covered area-37	75 sq ft, Material proces	sing shed-12,000 sq ft, R	esidence-1,200 sq ft								
Type of use(s): Office,	storage, shop, maintenan	ce, organic material proc	essing, residence									

Days and hours of operation: Monday through Saturday, 6	:30 am to 6:30 pm	
Grinding operations, Monday through Saturday, 8 am to 5	pm	
Seasonal operation (i.e., packing shed, huller, etc.) months a		
Occupancy/capacity of building: office - 5, and a single fami		
Number of employees: (Maximum Shift): 12 to 1	5 (Minimum Shift):	6
Estimated number of daily customers/visitors on site at peak	time: 5 to 7 a day (including ver	ndors)
Other occupants:		
Estimated number of truck deliveries/loadings per day:	Avg: 54, Peak: 136 (including pick-up	trucks)
Estimated hours of truck deliveries/loadings per day:	12 hours, 6:30 am to 6:30 pm	
Estimated percentage of traffic to be generated by trucks:	Avg: 54%, Peak: 73%	
Estimated number of railroad deliveries/loadings per day:	None	···
Square footage of:		
Office area: 960	Warehouse area: N/A	with the state of
Sales area: N/A	Storage area: 24.5 acre	25
Loading area: 24.5 acres	Manufacturing area: N//	Ą
Other: (explain type of area) material processing b	uilding: 12,000 sq feet	
Yes D No M Will the proposed use involve toxic of	or hazardous materials or waste? (Please exp	lain)
ROAD AND ACCESS INFORMATION:		
What County road(s) will provide the project's main access?	(Please show all existing and proposed driveway	s on the plot plan)
Langworth Rd.		

Yes 🛚	No	X	Are there private or public road or access easements on the property now? (If yes, show location and size on plot plan)
Yes 🗆	No	×	Do you require a private road or easement to access the property? (If yes, show location and size on plot plan)
Yes 🗵	No		Do you require security gates and fencing on the access? (If yes, show location and size on plot plan)
approvai	or ar	1 Except	that do not front on a County-maintained road or require special access may require tion to the Subdivision Ordinance. Please contact staff to determine if an exception is the necessary Findings.
STORM	DR.	AINAG	E:
How will y	our p	roject ha	andle storm water runoff? (Check one) Z Drainage Basin Direct Discharge Doverland
☐ Other:	(ple	ase expl	ain) Stormwater retention pond is already onsite.
If direct di	scha	rge is pro	oposed, what specific waterway are you proposing to discharge to? N/A
<u></u>			
Please No Water Qu with your	anty	Control	discharge is proposed, you will be required to obtain a NPDES permit from the Regional Board, and must provide evidence that you have contacted them regarding this proposal
EROSIO	N C	ONTRO	DL:
If you plan implement	on g	ırading a	ny portion of the site, please provide a description of erosion control measures you propose to
Site was p	revio	ously gra	ided pursuant to the 1999 Use Permit and Grading plan.
Control B	oard	and pre	be required to obtain an NPDES Storm Water Permit from the Regional Water Quality pare a Storm Water Pollution Prevention Plan.
Please use your applic	e this ation	space to	o provide any other information you feel is appropriate for the County to consider during review of h extra sheets if necessary)
See projec	ct de	scription	1.
	······································		
	<u></u>		
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PROJECT DESCRIPTION

Central Valley Agricultural Grinding, Inc. (CVAG) operates an onsite and mobile livestock product grinding and processing service pursuant to Use Permit 99-11 and subsequent staff approvals. CVAG processes agricultural and organic waste and byproducts into various "re-uses" that serve the agricultural industry by reducing waste and byproducts of food production into new organic products used by the agricultural industry, such as livestock feed and bedding. The primary public benefit is that a large amount of the raw materials utilized by CVAG are diverted directly from the ordinary landfill waste stream. The CVAG operation significantly contributes to the County's ability to discharge its state mandate to divert waste from landfills.

A use permit modification is requested because CVAG desires to add approximately nine (9) acres to the permit area that is currently used for material storage and to clarify the allowable uses under the use permit.

I. EXISTING USES - Use Permit 99-11 and Subsequent Staff Approvals.

Use Permit 99-11 created CVAG's use as a Tier One use on agricultural land. Permitted uses identified within the use permit, and staff approvals 2002-01, 2004-23 and 2004-138 and supporting materials, include the unloading, storage and grinding "of various livestock related products, such as almond shells and wood chips," grinding of wood for livestock bedding and dry grain for livestock feed, on-site storage for "raw and processed products (almond hulls, orchard prunings, rice, corn, hay, etc.)," "forage crop farming & wood recycling," parking of equipment, and a storage pond for clean water.

Use Permit 99-11 identified 15 acres to be used for the operations, including an almost 10-acre area for unloading, storage and grinding. Staff Approval 2004-138 approved a $500' \times 365'$ expansion on the southwest side of the existing operations, bringing the total size of the existing operations to almost 20 acres.

Structures include an office, a shop, two storage buildings, a residence, a concrete pad, a water tank and a material processing shed under construction as of the date this application was filed. The material processing shed will house electric grinders to allow indoor grinding, which decreases air pollution from the previously used diesel grinders, limits the spread of dust created by grinding and decreases the noise emitted by the grinders. The mobile diesel grinders will only be used on-site as back-up.

The working area is sloped, conforming to the 1999 Paving, Grading and Drainage Report. Elevated roads surround the sloped working area and direct run-off. Landscaping, berms and space not used for grinding and processing buffer adjacent on all side from the grinding and processing impacts. Ample employee and visitor parking exists near the office.

II. PROPOSED USE PERMIT MODIFICATION.

This modification to Use Permit 99-11 will add approximately nine (9) acres to the permit area that is being used for material storage, recognize a cogeneration unit that CVAG desires to build to supply energy to their grinders, and clarify the uses that are within the scope of the Use Permit.

IIA. EXPANDED OPERATIONS AREA.

CVAG proposes to add to the permit operations to an area of approximately 500' x 792' on the northwest side of their existing operations, and north of the Staff Approval 2004-138 expansion. This area is identified on the site plan as "CVAG Storage."

The area will be used for the storage of raw and processed materials for the CVAG operations. The remainder of the expanded storage area will be combined with the 2004-138 expansion and used for storage, mostly for livestock materials for the adjacent dairy operated by the owners of CVAG

The proposed expansion consists of approximately 9 acres, bringing the total CVAG operations acreage to almost 29 acres. The remaining 40 acres will continue to be used for growing crops and providing irrigated pasture for livestock.

IIB. PROPOSED COGENERATION UNIT.

CVAG desires to install a 1,000 KW cogeneration unit to provide renewable energy near the material processing shed that is under construction. The cogeneration unit will convert agricultural waste material into a synthetic natural gas ("syngas"). The syngas will then be used to run a syngas genset (an electric generator). The electricity will provide power to the material processing shed and the electric grinders housed in the shed. Electricity in excess of CVAG's requirements will be sold to PG&E.

IIC. EXPLANATION OF USES.

CVAG's on-site operations and processes are very diverse, utilizing a wide array of organic inputs and creating many outputs. CVAG estimates that it is currently producing about 6,800 tons per month of outputs, or approximately 81,600 tons per year. It anticipates its output growing to 8,334 tons per month, or approximately 100,000 tons per year.

Though the main focus of the operations is the production and recycling of agricultural materials, some non-agricultural organic products are produced or recycled as supplemental materials. This allows the operations to remain steady since some inputs and outputs are seasonal agricultural materials whose availability or demand fluctuates. Such evening out is necessary for CVAG to provide the recycling services to the County's agricultural industry. Below are summaries of these operations, including

the inputs processed, outputs created and other information necessary to understand the operations:

1. Grinding (and Mixing) Operations.

Inputs for grinding include many organic materials such as grains (corn, rice, wheat, barley), hays (alfalfa and hay), straws, and organic waste products (woods such as orchard prunings and removed orchard trees, nut hulls and shells, fruit pits, manure, soiled animal bedding, mulch and Christmas trees). Some organic waste products that are not strictly agricultural are used to supplement the product flow during seasonal periods when the volume of agricultural materials received is lower (for example, dimensional lumber may be ground during the winter season since most agricultural waste wood is produced during summer season). Maintaining flexibility in regards to inputs allows CVAG to keep production levels stable and operations viable.

After the inputs are ground, the ground material is sorted by size and often mixed. Outputs from the grinding and mixing processes are primarily animal forages/feeds; non-fertilizer soil amendments applied to vineyards and orchards; livestock bedding; recycled agricultural waste transformed into raw products for off-site users; and landscape materials (i.e., mulches, some of which are colored on-Site).

Most of the output is re-used by local agriculture operations. Approximately 60% of the output is used by the livestock industry, largely as bedding and feed. Approximately 33% of the output is directed to Duraflame (the inputs of this material were agricultural products). The remaining 7% of the output consists of soil amendments, landscaping materials and the material that will be used in the cogeneration facilities.

Maintaining flexibility in outputs is important because different sizes of ground material are put to different uses, and there are seasonal fluctuations in the demand and supply of certain products. For example, after the materials are ground, they are screened by size. Ground material that is too fine cannot be used for livestock because it could cause respiratory problems in the animals; instead, the fine material is often used in soil amendments. Mulch production varies inversely to the demand for livestock bedding; i.e., livestock bedding is in demand in the fall and winter, so mulch production is higher in spring and summer to even out product flow. Mulch also utilizes the ground material that is too large to use as livestock bedding.

2. Recovery of Organic Products for Animal Feed/Forages.

"Wet" byproducts during cannery season are delivered in bulk for use in animal feed/forages. Also, wet organic matter is recovered from canned goods that are expired, damaged or otherwise unfit for human consumption. The byproduct materials are mixed with other forages stored at the CVAG site (such as corn silage and oat silage) to create a blended livestock feed. These activities support the agricultural community by providing nutritious livestock feed and by re-using canning industry by-products that would otherwise be sent to the landfill.

3. Dehydration Operations.

The moisture content of many of the input materials (such as fruit pits and orchard prunings) is high, and those materials must be dried before grinding and mixing for re-use. To dry, the material is spread out in a thin layer on the solar pad to dry. The internal temperature of the layers is constantly monitored. As the material dries, it is aerated with a hydraulic scraper.

Though currently utilizing only solar drying, CVAG may desire to use mechanical dehydrator(s) in the future.

4. Storage, Loading, Distribution Operations.

The storage and material yard provide space for the storage of material, loading and unloading, transport and distribution operations for the above. The portion of the Site marked as "K.B. Storage" and "Concrete Pad" will be used to store material for the adjacent dairy operation that is leased and operated by the owners of CVAG.

5. Buildings and Parking.

Other buildings may be needed in the future to improve operations.

Parking for employees and visitors (vendors) is located near the driveway and office. There are approximately 27 parking spaces, a number exceeding the employees, vendors and any visitors on-site at any time.

6. Prohibited Operations.

Operations prohibited by this use permit modification are the resizing of dimensional lumber and the use of non-agricultural organic waste to provide non-agricultural products.

III. ALTERNATIVE BUFFER REQUIREMENTS.

The purpose of the setback and buffer provisions set forth in the Agricultural Element of the County General Plan is to minimize the conflicts between agricultural and non-agricultural development (as defined in the Agricultural Element). CVAG anticipates few if any conflicts with adjacent agricultural operations; their operations are low human intensity uses, include some of the same activities as agricultural operations, and, in part, will be used to complement the adjacent dairy facility operated by the owners of CVAG. Over half of the site will remain in traditional agricultural uses, producing crops and providing irrigated pasture for cattle.

<u>Existing Buffers and Setbacks.</u> A fence surrounds the property. An irrigated pasture in the northeast corner of the property, lined with willow trees to the west and redwood trees to the north, provides a buffer in excess of 150 feet and vegetative screening. The existing office/building site will not accommodate a 150-foot buffer to the south, but the willow trees south of the office/building site already provide vegetative screening.

The remaining existing area encompasses the clean water storage pond, material yard, and a compacted soil pad for solar drying. This portion of the property will not accommodate either the buffer or vegetative screening. However, equivalent protection to adjacent properties is provided by the berm on the south boundary. Much of the area encompassing the existing allowed uses will not accommodate a 150-foot buffer.

<u>Proposed Buffer and Setback Requirements.</u> As an "Expanding Non-Agricultural Use" for the analysis of buffer requirements, a Tier 1 use permit operation, and an operation compatible with adjacent agriculture, CVAG proposes these alternative buffer requirements as measures that will provide an equivalent level of protection to the agricultural uses adjacent to the site:

- 1. Require a 150-foot setback in the expansion between new buildings and adjacent agricultural property.
- 2. Waive the 6-foot fence requirement since a shorter fence already surrounds the property and people on-site are limited to employees, truck drivers and vendors who are unlikely to wander onto adjacent agricultural property. Trespassing on adjacent properties is not an issue.
- 3. Recognize that additional setbacks and buffers are not necessary. The storage areas, material yard, drying pad and water pond serve as adequate setback areas and buffers because these uses are low human intensity uses that do not impact adjacent agriculture and are similar to agricultural uses. The transfer of the grinding operations into an enclosed building (meeting the 150-foot setback requirement) reduces noise and dust and negates the need for additional buffering measures. Existing landscaping and berms also act as buffers.
- 4. Recognize that the buffer and setback requirements do not apply to the portion of the Site dedicated to storage for the adjacent dairy operated by the owners of CVAG since this is a related agricultural use.

IV. REQUIRED FINDINGS.

Evidence supports the two findings that are required for a Tier One Use Permit.

1. The establishment, maintenance and operation of the proposed use or building applied for is consistent with the General Plan and will not, under the circumstances of the particular case, be detrimental to the health, safety and general welfare of persons residing or working in the neighborhood of the use, and that it will not be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the County.

CVAG's operations are consistent with the property's General Plan designation of General Agriculture because the operations directly and primarily benefit the

County's agricultural industry. CVAG's facility recycles agricultural waste and repurposes recycled material for such beneficial agricultural uses as livestock bedding, animal feed, and soil amendments. Much of the waste/input is agricultural, and over 60% of the output is used for agricultural purposes, with part of the remainder being supplemental materials used to even out fluctuations in the availability of agricultural inputs or the demand of agricultural outputs.

The use is not detrimental to the health, safety and general welfare of persons residing or working in the neighborhood because the operations do not produce negative impacts. The indoor material processing facility with electric grinders under construction will reduce noise and dust created by the grinding of material. The residence on the Site is separated from the processing operations by pasture and is unaffected by the operations.

The use is not detrimental or injurious to property and improvements in the neighborhood. CVAG's operations do not create impacts that negatively affect its agricultural neighborhood, where the land uses include crop production, orchards, pasture and a livestock feed yard, and include operations and impacts that are similar to CVAG's operations and impacts. Some noise and dust is generated by the grinding operations, but not enough to negatively affect nearby property and uses. In addition, the indoor material processing facility under construction will significantly reduce any noise and pollution created during grinding. Berms, pasture, landscaping, a water storage pond, and storage and drying areas that facilitate low impacts separate CVAG's processing operations from adjacent property. As an example of the operation's low impacts on the area, CVAG's operations do not negatively affect the cattle pastured on the Site, the residence on the Site, or the dairy operated by CVAG's owners on property adjacent to the material processing operations.

Nor is the use detrimental or injurious to the general welfare of the County. CVAG's operations support the County's largest industry, agriculture, and divert waste materials that would otherwise be sent to the landfill, assisting the County's ability to discharge its state mandate to divert waste from landfills.

2. The use as proposed will not be substantially detrimental to or in conflict with agricultural use of other property in the vicinity.

CVAG's uses are similar to agricultural uses, including the water storage pond, the storage of agricultural materials like livestock feed and bedding, and the operation of grinding equipment, and thus have no negative effect upon agricultural use of other property in the vicinity. The indoor material processing facility under construction will further reduce any noise and pollution created by the grinding of material. Berms, pasture, landscaping, a water storage pond, and storage and drying areas that facilitate low impact uses separate CVAG's processing operations from adjacent property. As an example of the absence of impacts to the agricultural use of nearby property, CVAG's operations do not negatively affect the cattle pastured on the Site or the dairy operated by CVAG's owners on property adjacent to the material processing operations.

Central Valley Ag Grinding

Traffic Analysis: Total Vehicle Count; Trucks vs. Other Vehicles; Inbound vs. Outbound

January 2006 Through September 2010

Count of Out			Month												
Year	Classification	In/Out	1	2	3	4	5	6	7	8	9	10	11	12 Gr	and Total
2006	Other Vehicles	IN	932	822	1,060	1,080	861	961	1,167	395	724	641	840	772	10,255
	Other Vehicles To	tal	932	822	1,060	1,080	861	961	1,167	395	724	641	840	772	10,255
	Trucks	IN	153	106	108	121	325	383	432	356	367	469	132	82	3,034
		Out	66	74	79	100	139	206	196	127	225	172	122	76	1,582
	Trucks Total		219	180	187	221	464	589	628	483	592	641	254	158	4,616
2006 Total			1,151	1,002	1,247	1,301	1,325	1,550	1,795	878	1,316	1,282	1,094	930	14,871
2007	Other Vehicles	IN	1,033	822	1,068	1,101	1,058	1,309	1,496	322	312	420	460	688	10,089
	Other Vehicles To	tal	1,033	822	1,068	1,101	1,058	1,309	1,496	322	312	420	460	688	10,089
	Trucks	IN	91	70	175	118	205	194	282	196	225	236	199	44	2,035
		Out	67	90	78	97	68	141	117	73	67	59	116	121	1,094
	Trucks Total		158	160	253	215	273	335	399	269	292	295	315	165	3,129
2007 Total			1,191	982	1,321	1,316	1,331	1,644	1,895	591	604	715	775	853	13,218
2008	Other Vehicles	IN	1,033	822	1,068	1,101	680	597	922	612	684	755	515	586	9,375
	Other Vehicles To	tal	1,033	822	1,068	1,101	680	597	922	612	684	755	515	586	9,375
	Trucks	IN	94	88	62	63	129	120	270	414	352	446	177	91	2,306
		Out	159	92	30	28	87	68	115	161	192	169	148	118	1,367
	Trucks Total		253	180	92	91	216	188	385	575	544	615	325	209	3,673
2008 Total			1,286	1,002	1,160	1,192	896	785	1,307	1,187	1,228	1,370	840	795	13,048
2009	Other Vehicles	IN	466	728	838	624	799	674	851	266	904	1,657	1,140	827	9,774
	Other Vehicles To	tal	466	728	838	624	799	674	851	266	904	1,657	1,140	827	9,774
	Trucks	IN	120	168	105	110	170	216	298	370	364	307	203	265	2,696
		Out	81	144	102	47	81	133	123	158	166	185	213	264	1,697
	Trucks Total		201	312	207	157	251	349	421	528	530	492	416	529	4,393
2009 Total			667	1,040	1,045	781	1,050	1,023	1,272	794	1,434	2,149	1,556	1,356	14,167
2010	Other Vehicles	IN	779	578	1,100	846	916	950	979	763	886				7,797
	Other Vehicles To	tal	779	578	1,100	846	916	950	979	763	886				7,797
	Trucks	IN	340	90	192	150	144	228	267	413	417				2,241
		Out	3	61	180	163	203	232	200	203	165				1,410
	Trucks Total		343	151	372	313	347	460	467	616	582				3,651
2010 Total			1,122	729	1,472	1,159	1,263	1,410	1,446	1,379	1,468				11,448

^{*} Months 1 - 12 are representative of Months January through December

^{**} Trucks are classified as all vehicles with a Tare Weight > 24,000lbs AND Gross Weight > 50,000lbs. These are Semi-Trucks

^{***} Other Vehicles are classified as all vehicles with a Tare Weight < 24,000lbs AND Gross Weight < 50,000lbs. The Other Vehicles are generally pick-ups and vehicles with trailers. Other Vehicles bring in wood prunings, landscaping clippings, and things of that nature (waste from trees, bushes, grass, etc.). These trips account for a small portion of inbound material by volume, no more than 20-30%.

Central Valley Ag Grinding

Traffic Analysis: Total Net Tonnage; Trucks vs. Other Vehicles; Inbound vs. Outbound

January 2006 Through September 2010

			Month												
Year	Classification	Values	1	2	3	4	5	6	7	8	9	10	11	12	Grand Total
2006	Other Vehicles	Sum of Net Tons	3,821.20	2,548.20	1,696.00	3,132.00	2,324.70	4,901.10	2,217.30	1,106.00	3,113.20	1,692.24	1,020.74	857.90	28,430.58
	Trucks	Sum of Net Tons	3,430.20	2,807.80	2,926.80	3,411.10	7,927.40	10,494.10	11,373.84	7,222.65	9,754.21	5,251.84	5,214.69	3,215.06	73,029.69
		Sum of Net Tons Outbound	1,471.80	1,620.60	853.20	2,310.00	1,264.90	2,719.20	2,293.20	2,559.05	4,752.00	3,113.20	2,770.88	1,711.26	27,439.29
2006 Sum o	f Net Tons		7,251.40	5,356.00	4,622.80	6,543.10	10,252.10	15,395.20	13,591.14	8,328.65	12,867.41	6,944.08	6,235.43	4,072.96	101,460.27
2006 Sum o	f Net Tons Outbou	nd	1,471.80	1,620.60	853.20	2,310.00	1,264.90	2,719.20	2,293.20	2,559.05	4,752.00	3,113.20	2,770.88	1,711.26	27,439.29
2007	Other Vehicles	Sum of Net Tons	1,062.78	868.83	1,213.57	1,374.31	1,256.97	1,461.41	1,722.52	998.20	655.20	1,247.40	1,269.60	2,380.48	15,511.27
	Trucks	Sum of Net Tons	3,330.58	3,504.96	5,314.93	4,716.31	5,584.45	7,017.24	7,809.88	5,406.45	6,484.66	6,726.94	7,062.00	3,939.89	66,898.28
		Sum of Net Tons Outbound	1,531.30	2,048.46	1,863.04	2,360.61	1,602.32	3,354.67	2,802.47	1,694.32	1,515.06	1,294.20	2,807.32	2,976.20	25,849.96
2007 Sum o	f Net Tons		4,393.36	4,373.79	6,528.50	6,090.62	6,841.42	8,478.65	9,532.40	6,404.65	7,139.86	7,974.34	8,331.60	6,320.37	82,409.55
2007 Sum o	f Net Tons Outbou	nd	1,531.30	2,048.46	1,863.04	2,360.61	1,602.32	3,354.67	2,802.47	1,694.32	1,515.06	1,294.20	2,807.32	2,976.20	25,849.96
2008	Other Vehicles	Sum of Net Tons	1,062.78	868.83	1,213.57	1,374.31	751.24	1,170.12	2,950.40	2,570.40	1,887.84	1,857.30	2,121.80	2,004.12	19,832.71
	Trucks	Sum of Net Tons	5,343.31	3,952.88	2,134.82	1,733.32	4,630.65	3,880.62	6,244.99	11,966.65	11,806.83	13,687.56	7,149.55	4,777.47	77,308.65
		Sum of Net Tons Outbound	3,573.49	2,109.97	730.22	617.02	2,062.32	1,486.77	2,391.40	3,655.11	4,539.41	3,943.22	3,456.98	2,724.75	31,290.65
2008 Sum o	f Net Tons		6,406.09	4,821.71	3,348.39	3,107.63	5,381.89	5,050.74	9,195.38	14,537.05	13,694.67	15,544.86	9,271.35	6,781.59	97,141.36
2008 Sum o	f Net Tons Outbou	nd	3,573.49	2,109.97	730.22	617.02	2,062.32	1,486.77	2,391.40	3,655.11	4,539.41	3,943.22	3,456.98	2,724.75	31,290.65
2009	Other Vehicles	Sum of Net Tons	615.12	1,951.04	3,821.28	1,223.04	1,901.62	3,787.88	3,114.66	515.29	1,533.32	1,983.20	1,247.66	1,232.58	22,926.69
	Trucks	Sum of Net Tons	4,559.10	7,211.50	4,553.00	3,056.35	5,146.91	7,536.42	8,404.92	10,039.45	11,167.68	10,947.48	9,420.03	12,371.41	94,414.23
		Sum of Net Tons Outbound	1,944.55	3,429.43	2,378.10	1,002.19	1,909.15	3,208.87	2,865.54	3,857.53	4,060.96	4,554.49	5,199.74	6,479.91	40,890.44
2009 Sum o	f Net Tons		5,174.22	9,162.54	8,374.28	4,279.39	7,048.53	11,324.29	11,519.58	10,554.74	12,701.00	12,930.68	10,667.69	13,603.99	117,340.92
2009 Sum o	f Net Tons Outbou	nd	1,944.55	3,429.43	2,378.10	1,002.19	1,909.15	3,208.87	2,865.54	3,857.53	4,060.96	4,554.49	5,199.74	6,479.91	40,890.44
2010	Other Vehicles	Sum of Net Tons	899.12	737.87	1,238.26	935.13	989.02	934.32	1,034.02	673.69	863.72				8,305.15
	Trucks	Sum of Net Tons	7,013.97	2,672.16	7,313.57	5,838.29	6,725.46	8,501.46	8,616.39	11,611.79	11,593.83				69,886.92
		Sum of Net Tons Outbound	76.50	1,245.18	4,085.47	3,493.73	4,525.98	5,199.78	4,446.11	4,082.05	3,695.43				30,850.23
2010 Sum o 2010 Sum o	f Net Tons f Net Tons Outbou	nd	7,913.09 76.50	3,410.03 1,245.18	8,551.83 4,085.47	6,773.42 3,493.73	7,714.48 4,525.98	9,435.78 5,199.78	9,650.41 4,446.11	12,285.48 4,082.05	12,457.55 3,695.43				78,192.07 30,850.23

^{*} Months 1 - 12 are representative of Months January through December

^{**} Trucks are classified as all vehicles with a Tare Weight > 24,000lbs AND Gross Weight > 50,000lbs. These are Semi-Trucks

^{***} Other Vehicles are classified as all vehicles with a Tare Weight < 24,000lbs AND Gross Weight < 50,000lbs. The Other Vehicles are generally pick-ups and vehicles with trailers. Other Vehicles bring in wood prunings, landscaping clippings, and things of that nature (waste from trees, bushes, grass, etc.). These trips account for a small portion of inbound material by volume, no more than 20-30%.

CENTRAL CALIFORNIA INFORMATION CENTER

California Historical Resources Information System
Department of Anthropology - California State University, Stanislaus
801 W. Monte Vista Avenue, Turlock, California 95382
(209) 667-3307 - FAX (209) 667-3324

Alpine, Calaveras, Mariposa, Merced, San Joaquin, Stanislaus & Tuolumne Counties

Date: October 20, 2006

CCIC File #: 6479N

Project: Record search as per SB-18
for Site Use Permit (99-11)

Amendment for Central Valley Ag
Grinding facility at 5507 Langworth
Road, Oakdale, CA 95361
(APN #062-029-001)

We have conducted a records search as per your request for the above-referenced project area located on the Riverbank USGS 7.5-minute quadrangle map in Stanislaus County.

Search of our files includes review of our maps for the specific project area and the immediate vicinity of the project area, and review of the National Register of Historic Places, the California Register of Historical Resources, the California Inventory of Historic Resources (1976), the California Historical Landmarks (1990), and the California Points of Historical Interest listing (May 1992 and updates), the Historic Property Data File (Office of Historic Preservation current computer list dated 9/18/2006), the CALTRANS State and Local Bridge Survey (1989 and updates), the Survey of Surveys (1989), GLO Plats, and other pertinent historic data available at the CCIC for each specific county.

The following details the results of the records search:

Prehistoric or historic resources within the project area:

No prehistoric or historic archeological resources or historic properties have been reported to the CCIC. However, the 1953 Riverbank USGS 7.5' map shows two building locations in the eastern portion of the project, and shows the Southwest Lateral and a portion of the Caville Drain in the project area. These buildings and structures, or their remains, would be over 50 years old and potential historic resources that are not yet documented and evaluated for the NRHP or the CA Register. Aerial photo maps show that the buildings (probably houses) and the Caville Drain may still be in use, but that the Southwest Lateral may be abandoned and obscured by crops or other plant growth.

Prehistoric or historic resources within the immediate vicinity of the project area:

No others have been reported to the CCIC, although there may still be farm or ranch complexes and other structures over 50 years old across Langworth Road from the project area.

Resources that are known to have value to local cultural groups:

None have been formally reported to the CCIC.

Previous investigations within the project:

No cultural resources studies have been reported to the CCIC.

Previous investigations within the immediate vicinity of the project area:

None have been reported to the CCIC.

Recommendations/Comments:

Please be advised that a historical resource is defined as a building, structure, object, prehistoric or historic archaeological site, or district possessing physical evidence of human activities over 45 years old. There may be unidentified features involved in your project that are 45 years or older and considered as historical resources requiring further study and evaluation by a qualified professional of the appropriate discipline.

Based on existing data in our files the project area has a low sensitivity for prehistoric resources but a moderate-to-high sensitivity for the possible discovery of houses, outbuildings, and canals over 50 years old. We recommend that the two houses and any associated outbuildings, the Caville Drain, and the remnant of the Southwest Lateral be documented and evaluated by a historic archaeologist or architectural historian. A copy of the Referral List for Historical Resources Consultants is attached for your use.

We advise you that in accordance with State law, if any historical resources are discovered during project-related construction activities, all work is to stop and the lead agency and a qualified professional are to be consulted to determine the importance and appropriate treatment of the find. If Native American remains are found the County Coroner and the Native American Heritage Commission, Sacramento (916-653-4082) are to be notified immediately for recommended procedures.

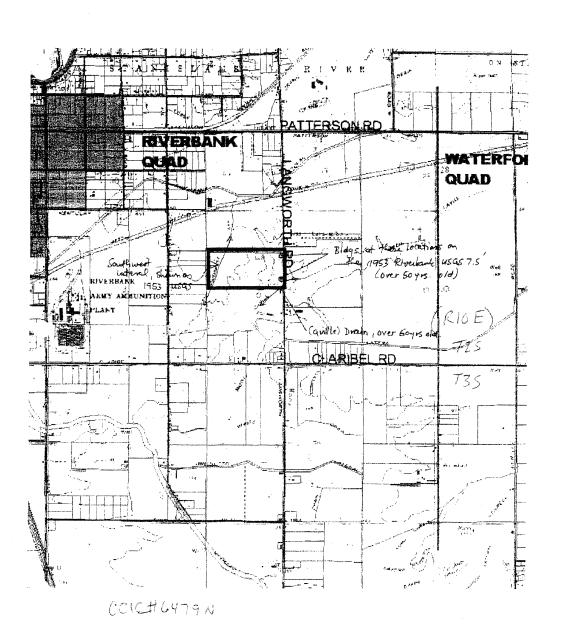
We thank you for contacting this office regarding historical resource preservation. Please let us know when we can be of further service. Billing is attached, payable within 60 days of receipt of the invoice.

Sincerely,

Robin Hards, Assistant Research Technician

Central California Information Center

California Historical Resources Information System





Basic Process Description

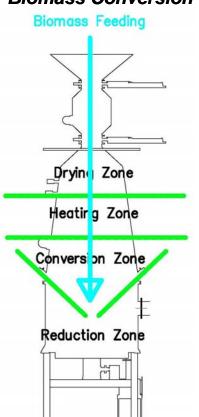
The Phoenix system converts biomass into a synthetic natural gas ("syngas") through the process of thermochemical conversion. This syngas is then used to fuel a specially modified natural gas genset that provides renewable electricity and heat.

The biomass conversion process is a thermo-chemical one that 'cooks' biomass in an oxygen starved environment. By depriving the fuel of sufficient oxygen the biomass does not burn, but rather gives off a hydrogen rich syngas. As the biomass gives off the syngas, it is transformed into bio-char and ash of approximately 1-5% of the volume of biomass fuel. The syngas is then captured, cleaned and cooled before being sent as fuel to the genset. The gensets are provided by a variety of nationally known vendors such as Cummins, Caterpillar, or GE. This ensures that there are readily available spare parts and maintenance technicians available locally. The biochar has demonstrated ability to sequester carbon in solid form for upwards of 1,000 years if applied as a soil amendment or ADC.

Fuel Preparation

Fuel storage and handling will be finalized after site work is carried out together with your company's personnel. There are several options to choose from and will need to compliment the existing material flow. Currently, we believe that a walking floor trailer or a conveyor fed hopper provide the most flexible solutions. Waste biomass from your facility will be delivered via conveyer (or front end loader if necessary) to the fuel hopper. Once in the Phoenix hopper, our system uses a robust agricultural platform and fuel metering sensors, to continuously feed the conversion unit in small batches as needed.

Biomass Conversion



The biomass conversion chamber (figure 1) is essentially a chemical reactor where various complex thermo-chemical processes take place. As it flows through the reactor, the biomass gets dried, heated, converted into gas and reduced into bio-char and ash.

Although there is a considerable overlap, each process can be considered to be occupying a separate zone, in which fundamentally different chemical and thermal reactions take place. The fuel must pass through all of these zones to be completely converted.

The downdraft conversion unit, employed by Phoenix Energy, is under vacuum drawn by a high-pressure blower ("negative air"). The essential characteristic of the downdraft design is that the tars given off in the heating zone are drawn through the conversion zone, where they will be broken down or oxidized. When this happens, the energy they contain is usefully recovered and the mixture of gases in the exit stream is relatively clean. Expected total gas contaminant concentration prior to filtration is up to 100 times less than in often seen in updraft and fluid-bed systems.

Figure 1 36

Gas Cleansing

After the syngas has been extracted from the conversion chamber it is cooled and cleaned by a series of scrubbers and filters. First the gas passes through a venturi scrubber, which is known to remove particulate in the submicrometer range. The gas is then passed through a series of four filters. The first is a coarse filter to coalesce residual liquids. The second is a rejuvenating active sawdust filter, the third is a similar passive filter, and the fourth is a fabric bag filter. The filter media are sawdust and biomass chips so instead of using expensive synthetic filters that need to be thrown away, the used filter media can be simply placed into the fuel hopper and consumed.

Figure 2 – The P250 biomass conversion chamber (red) and filtering system (blue)



Power Generation

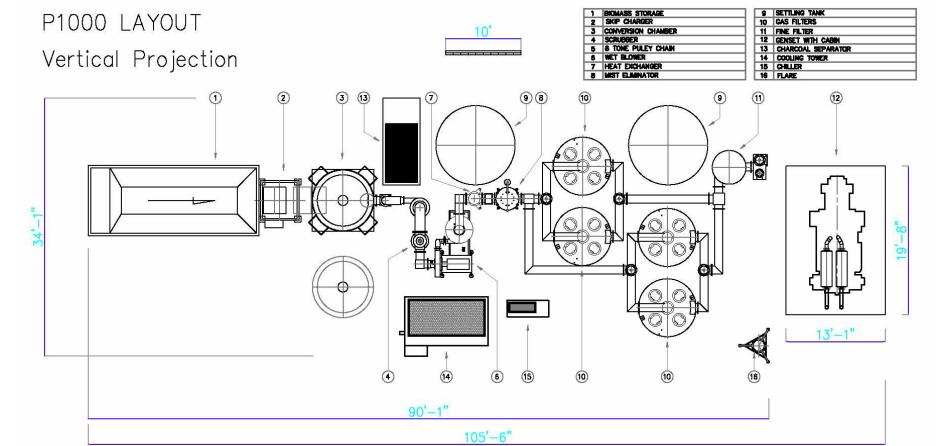
Phoenix units are based on a spark-ignited engine genset. Depending on the model chosen, the engines are capable of providing 250, 500 or 1,000KW (net) operating on syngas. Phoenix Energy will customize to allow syngas carburetion for this engine and provide standard paralleling switchgear for electrical output.

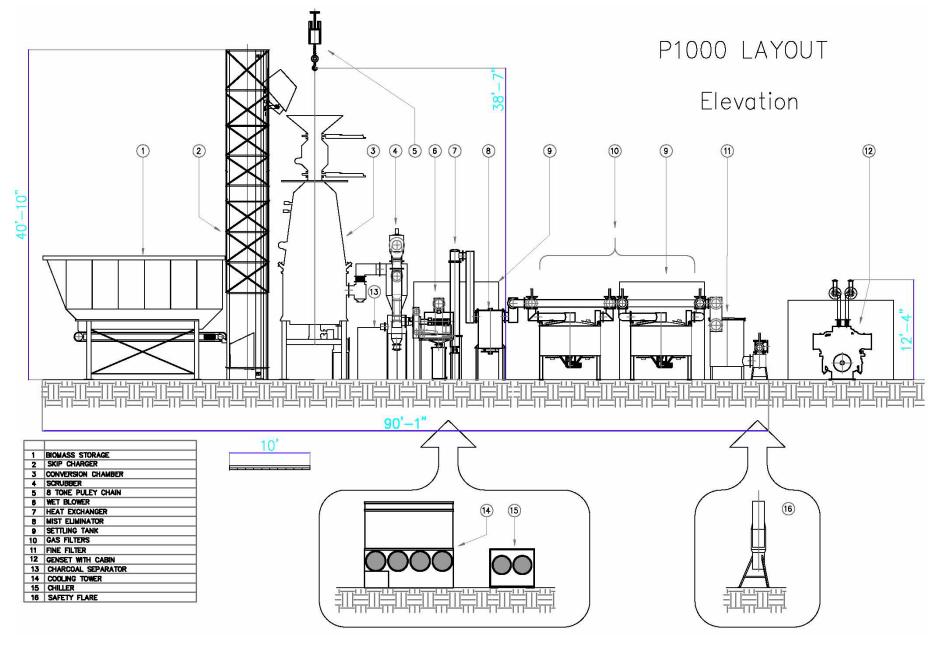
At present we believe the CAT 3516 or the Cummins 1710 offer the most attractive engine options for your firm, however we can work with *any* natural gas genset. First and foremost there is a large secondary market for CAT and Cummins engines and the service coverage in the US is excellent. These engines also have unique

features of better fuel economy, better emissions, durability, extended oil and filter change period. They run on variety of gaseous fuels like natural gas, bio-gas, sewage gas, LPG etc. Engines are available in both types of aspirations, naturally aspirated and turbocharged-aftercooled versions. Both CAT and Cummins engines have been designed to combine compact size, low emission levels and excellent performance characteristics of high-speed technology with the medium speed benefits of water-cooled exhaust valve seats, steel-crown pistons & combustion control.

Bio-char & ash handling

Bio-char & ash is removed from the conversion chamber using pumped slurry. Scrubbed particulate is combined with the bio-char stream. A closed water loop is used for cooling as well as to provide a seal to the bottom of the gasifier. Water slurry level is maintained in a tank and pumped to an automated filter. The automated filter is typical for river sludge treatment and separates the solids from the recirculated water. The char byproduct, also called biochar, is separated out using a special mechanical separator for resale as a soil amendment or landfill ADC, sequestering carbon in the ground in solid form for up to 1,000 years! While we don't include this in our financial forecast, we believe that carbon credits related to biochar may become a valueable revenue source in the near future. If desired for disposal only, bio-char solids and a percentage of water can be conveyed to a thermal oxidizer primarily fueled by burning approximately 5% of the produced syngas. If no other profitable option exists, the thermal oxidizer will provide clean disposal of all produced biochar and process liquids. Water leaving the filter is passed through a final stationary filter prior to heat exchange. The scrubbing water is absorbing heat from the product gas and must be cooled in a cooling tower prior to returning to the closed-loop scrubber.





NOTE: Approval of this application is valid only if the following conditions are met. This permit shall expire unless activated within 18 months of the date of approval. In order to activate the permit, it must be signed by the applicant and one of the following actions must occur: (a) a valid building permit must be obtained to construct the necessary structures and appurtenances; or, (b) the property must be used for the purpose for which the permit is granted. (Stanislaus County Ordinance 21.104.030)

CONDITIONS OF APPROVAL

USE PERMIT APPLICATION NO. 2010-06 CENTRAL VALLEY AG GRINDING, INC.

Department of Planning and Community Development

- 1. This use shall be conducted as described in the application and supporting information (including the plot plan) as approved by the Planning Commission and/or Board of Supervisors and in accordance with other laws and ordinances.
- All exterior lighting shall be designed (aimed down and toward the site) to provide adequate illumination without a glare effect. This shall include but not be limited to the use of shielded light fixtures to prevent skyglow (light spilling into the night sky) and the installation of shielded fixtures to prevent light trespass (glare and spill light that shines onto neighboring properties).
- 3. Developer shall pay all Public Facilities Impact Fees and Fire Facilities Fees as adopted by Resolution of the Board of Supervisors. The Fees shall be payable at the time of issuance for any building permit for any construction in the development project and shall be based on the rates in effect at the time of building permit issuance.
- 4. The applicant is required to defend, indemnify, or hold harmless the County, its officers, and employees from any claim, action, or proceedings against the County to set aside the approval of the project which is brought within the applicable statute of limitations. The County shall promptly notify the applicant of any claim, action, or proceeding to set aside the approval and shall cooperate fully in the defense.
- 5. The Department of Planning and Community Development shall record a Notice of Administrative Conditions and Restrictions with the County Recorder's Office within 30 days of project approval. The Notice includes: Conditions of Approval/Development Standards and Schedule; any adopted Mitigation Measures; and a project area map.
- 6. Pursuant to Section 711.4 of the California Fish and Game Code (effective January 1, 2010), the applicant is required to pay a Department of Fish and Game filing fee at the time of recording a "Notice of Determination." Within five (5) days of approval of this project by the Planning Commission or Board of Supervisors, the applicant shall submit to the Department of Planning and Community Development a check for \$2,067.25, made payable to Stanislaus County, for the payment of Fish and Game and Clerk Recorder filing fees.

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Pursuant to Section 711.4 (e)(3) of the California Fish and Game Code, no project shall be operative, vested, or final, nor shall local government permits for the project be valid, until the filing fees required pursuant to this section are paid.

- 7. Prior to construction: The developer shall be responsible for contacting the California Regional Water Quality Control Board to determine if a "Notice of Intent" is necessary and shall prepare all appropriate documentation, including a Storm Water Pollution Prevention Plan. Once complete, and prior to construction, a copy of the Storm Water Pollution Prevention Plan shall be submitted to the Stanislaus County Department of Planning and Community Development. Written evidence of said contact shall be submitted to the Planning Department prior to issuance of any building permit.
- 8. Pursuant to Section 404 of the Clean Water Act, prior to construction, the developer shall be responsible for contacting the US Army Corps of Engineers to determine if any "wetlands," "waters of the United States," or other areas under the jurisdiction of the Corps of Engineers are present on the project site, and shall be responsible for obtaining all appropriate permits or authorizations from the Corps, including all necessary water quality certifications, if necessary.
- 9. All conditions of approval and mitigation measures from Use Permit No. 99-11 shall remain in effect.

Department of Public Works

- Langworth Road is classified as a 60-foot wide Local Road. All that portion of the required 30-foot dedication from centerline not previously dedicated, shall be dedicated to Stanislaus County Public Works using an Irrevocable Offer of Dedication.
- 11. A grading and drainage plan for the project site shall be submitted within 3 months of the use permit approval. Public Works will review and approve the drainage calculations. The grading and drainage plan shall include the following information:
 - Drainage calculations shall be prepared as per the Stanislaus County Standards and Specifications that are current at the time the permit is issued.
 - The plan shall contain enough information to verify that all runoff will be kept from going onto adjacent properties and Stanislaus County road right-of-way.
 - The grading and drainage plan shall comply with the current Stanislaus County National Pollutant Discharge Elimination System (NPDES) General Permit and the Quality Control standards for New Development and Redevelopment contained therein.
 - An Engineer's Estimate shall be submitted for the grading and drainage work.
 - The grading, drainage, and associated work shall be accepted by Stanislaus County Public Works prior to a final inspection or occupancy, as required by the building permit.

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The applicant of the building permit shall pay the current Stanislaus County Public Works weighted labor rate for the plan review of the building and/or grading plan. A deposit of 3% of the Engineer's Estimate shall be made prior to the plan check, at the time of the building permit application.

The applicant will be responsible for any charges that are incurred over the plan check deposit. The plans shall not be released until such time that all plan check fees have been paid. Any fees left over from the deposit shall be returned to the applicant at the completion and acceptance of the plans by Stanislaus County Public Works.

The applicant of the building permit shall pay the current Stanislaus County Public Works weighted labor rate for all on-site inspections. This shall include a deposit of 3% of the Engineer's Estimate for the grading and drainage work. The deposit shall be made prior to the issuance of the building permit. The Public Works inspector shall be contacted 48 hours prior to the commencement of any grading or drainage work on-site. Any fees left over from the deposit shall be returned to the applicant at the completion and acceptance of the grading and drainage construction by Stanislaus County Public Works.

- 12. No parking, loading, or unloading of vehicles shall be permitted within the right-of-way of Langworth Road. The developer will be required to install or pay for the installation of all required signs and/or markings.
- 13. Prior to the issuance of a final inspection for a building permit, the applicant shall make road frontage improvements on Langworth Road to address additional trucks on Langworth Road. Proportionality is established per the following improvements. Since the project covers approximately one-half of the parcel and the parcel frontage is approximately 1,165 feet, the road improvements shall extend for one-half the frontage. The project driveways are located on the southern portion of the parcel, so the improvements shall start at the south property line and extend north for approximately 583 feet. These improvements shall include:
 - a. Add additional asphalt to Langworth Road to achieve a 12-foot wide paved vehicle lane and a 4-foot wide paved asphalt shoulder. The new asphalt shall be added to the existing roadway to achieve 16-feet of paved roadway, per Stanislaus County Standards and Specifications. The new asphalt shall be added west of the centerline of Langworth Road starting at the south property line, moving north for one-half the frontage of the parcel.
 - b. Asphalt driveways shall be installed at the existing driveways to reduce the tracking of mud onto County road right-of-way. The driveways shall be installed per Stanislaus County Standards and Specifications Plate 3-F4, Major and Collector Road driveway.

Improvement plans will be submitted to this department for approval. The structural section and cross slopes shall meet Stanislaus County Public Works Standards and Specifications.

14. An encroachment permit shall be obtained for any work done in the County maintained road right-of-way.

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- 15. Public Works shall approve the location and width of any new driveway approaches.
- 16. An acceptable financial guarantee for the road improvements shall be provided to the Department of Public Works prior to the issuance of a building permit. This may be deferred if the work is done prior to the issuance of the use permit.
- 17. An Engineer's Estimate shall be provided for the road improvements so that the amount of the financial guarantee can be determined.
- 18. The applicant shall enter into an agreement with Stanislaus County Department of Public Works to pay a fee of \$0.055 per ton of material entering or leaving the property via County roadways to offset future maintenance costs to Langworth Road. The agreement shall be in place within three months of the approval of the use permit. The fee shall be tied to the Engineering News Record Construction Cost Index as published in the January edition; the base Construction Cost Index is 8090.06 as of January 2008.

Building Permits Division

19. Development shall comply with current adopted Title 24 California Code of Regulations (Building Codes) and Stanislaus County Title 16 Code.

Department of Environmental Resources (DER)

- 20. The Stanislaus County Source Reduction & Recycling Element (SRRE) contains descriptions of the programs the County has implemented to reduce solid waste disposal in the County by 50%, as mandated by Assembly Bill (AB) 939. Such programs include source reduction, recycling, and composting. Recommendations consistent with the SRRE, which should be incorporated into the project, include:
 - a. Minimizing, through source reduction, reuse, and recycling, the amount of waste from the project that will require disposal.
 - b. During the construction phase, provisions should be made to separate recyclable material from the construction debris. Recovered materials such as wood, sheetrock, metal, and concrete should be diverted to approved use sites or to recyclers.
 - c. Incorporate into the project, when possible, products that contain post-consumer recycled materials. Construction materials that have post-consumer content include lubricating oil products, glass, and window products.
 - d. Compost and other soil amendments necessary for project landscaping can be obtained from permitted composting facilities within Stanislaus County, provided such landscaping material is available and meets specifications. Consider xeriscape practices for landscaped areas within the project. Xeriscaping is landscaping with slow-growing, drought tolerant plants that conserve water and reduce yard trimmings.
 - e. A designated area should be provided that would facilitate the storage of recyclable material containers at businesses and multi-family dwellings.
- 21. The applicant shall obtain any required DER permits and shall comply with all conditions of approval and County Code requirements related to the permits.

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Stanislaus Fire Prevention Bureau

22. Full fire department access and water supply will be required at the time of development.

Stanislaus Consolidated Fire Protection District

- 23. The proposed cogeneration/bio-fuel operation shall comply with applicable California Fire Code and National Fire Code requirements.
- 24. Storage sites shall be reasonably level and be on solid ground or another all-weather surface. Piles shall not exceed 25 feet in height, 150 feet in width, and 250 feet in length. Piles shall be separated from adjacent piles by fire department access roadways. Fire access roads shall have an unobstructed width of not less than 20 feet and an unobstructed vertical clearance of not less than 13 feet 6 inches. The turning radius of a fire apparatus access road shall be as approved (50-foot outside, 30-foot inside).
- 25. Static piles shall be monitored by an approved means to measure temperatures within the static piles. Internal pile temperatures shall be monitored and recorded weekly. All records shall be kept on file at the facility and be made available for inspection.
- 26. Portable fire extinguishers with a minimum rating of 4-A:60-B:C shall be provided on all vehicles and equipment operating on piles and at all processing equipment per the 2007 California Fire Code which is a change from the 2001 California Fire Code.
- 27. The owner or operator shall add new piles to their existing plan for monitoring, controlling, and extinguishing spot fires and submit the plan to the chief for review and approval.

Regional Water Quality Control Board (RWQCB)

- 28. A National Pollutant Discharge Elimination System (NPDES) General Permit for Storm Water Discharge Associated with Construction Activities, Order No. 99-29-DWQ, is required when a project involves clearing, grading, or disturbances to the ground such as stockpiling or excavation. Currently construction activity that involves soil disturbances on construction sites one acre or greater or which are part of a larger common plan of development or sale require a construction storm water permit. If construction associated with this project will disturb more than one acre, the property owner will need to obtain permit coverage under the NPDES General Permit No. CAS000002 prior to construction.
- 29. When waste water is generated, stored, or disposed to land, Waste Discharge Requirements (WDRs) are required.
- 30. Depending on the Standard Industrial Classification (SIC) code of the final project, compliance with the NPDES General Permit No. CAS000001 for Discharges of Storm Water Associated with Industrial Activities may be required.
- 31. All wastewater discharge must comply with the Anti-degradation Policy (RWQCB-Resolution 68-16) and the Anti-degradation Implementation Policy. If the project proponent needs a Regional Water Board permit, the anti-degradation analysis is a mandatory element of the permitting process.

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San Joaquin Valley Air Pollution Control District

- 32. The project applicant shall manage the project area in such a way as to avoid excess dust emissions which could potentially affect any downwind sensitive receptors.
- 33. The proposed project may be subject to the following District rules:
 - Regulation VIII (Fugitive PM10 Prohibitions);
 - Rule 4102 (Nuisance);
 - Rule 4601 (Architectural Coatings);
 - Rule 4641 (Cutback, Slow Cure, and Emulsified Asphalt, Paving and Maintenance Operations); and
 - In the event an existing building will be renovated, partially demolished, or removed, the project may be subject to District Rule 4002 (National Emission Standards for Hazardous Air Pollutants).

JM:cr



1010 10th Street, Suite 3400 Modesto, California 95354

Stanislaus County Planning and Community Development

Phone: (209) 525-6330 Fax: (209) 525-5911

CEQA INITIAL STUDY

Adapted from CEQA Guidelines APPENDIX G Environmental Checklist Form, Final Text, December 30, 2009

1. Project title: Use Permit Application No. 2010-06 - Central

Valley Ag Grinding

2. Lead agency name and address: Stanislaus County

1010 10th Street, Suite 3400

Modesto, CA 95354

3. Contact person and phone number: Joshua Mann, Associate Planner

(209) 525-6330

4. Project location: 5507 Langworth Road, south of Patterson Road,

north of Claribel Road, east of the City of

Riverbank. (APN: 062-029-001)

5. Project sponsor's name and address: Paul Konzen / Mike Barry

5707 Langworth Road Oakdale, CA 95361

6. General Plan designation: Agriculture

7. Zoning: A-2-40 (General Agriculture)

8. Description of project:

Request to expand an existing "Agricultural Product" grinding business on a 70± acre parcel, originally permitted under Use Permit No. 99-11. The business converts agricultural waste products and "green" waste into products used in the livestock industry, soil amendments, and related uses. A 1,000 KW co-generation "syngas" unit is included in this application. This property is currently enrolled in Williamson Act Contract No. 73-1408 and this use is considered to be consistent with the zoning designation and the Williamson Act. This application will allow Central Valley Ag Grinding (CVAG) to add approximately nine (9) acres to the permitted area that currently is used for material storage.

Part of the current and proposed operations at CVAG are permitted by the Department of Environmental Resources (DER) and regulated under Stanislaus County Code Title 9. The programs which CVAG is currently permitted to conduct on-site include: Stanislaus County Food Processing By-Product (Direct Feed Operation) and Stanislaus County Small Refuse Hauler Permit. The current application will enable CVAG to be permitted under two additional programs: Stanislaus County Food Processing By-Product (Dehydration Operation) and Stanislaus County Organic Recycling Facility Permit. This current Use Permit application will allow CVAG to apply for the activities permitted by these programs although individual permits from DER will be required prior to conducting such activities. The permits issued and regulated by DER may also include additional requirements/conditions not included in this Use Permit.

The Stanislaus County Food Processing By-Product (Direct Feed Operation) generally involves the receiving of food processing by-products which are contained on a concrete pad then mixed with hay and/or alfalfa within 24 hours. After being mixed, the end product is then used for an animal feed to feed the project applicants' own livestock.

The Stanislaus County Food Processing By-Product (Dehydration Operation) at CVAG includes the receiving of peach and olive pits; although, depending on various factors other varieties of fruit pits may be used from time to time. Once on-site, the pits are dried and grinded then transported off-site. In general, peach/fruit pits are obtained from food processors including Seneca, Dole, and Del Monte. Olive pits are obtained from Musco Family Olive Company located in Tracy, California.

9. Surrounding land uses and setting:

Cattle ranch, dairies, agricultural uses, single-family dwellings.

10. Other public agencies whose approval is required (e.g., permits, financing approval, or participation agreement.):

Department of Public Works
Department of Environmental Resources
Building Permits Division
Regional Water Quality Control Board
San Joaquin Valley Air Pollution Control District

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages.

☐ Aesth	etics	☐ Agriculture & Forestry	Resources	☐ Air Quality
☐ Biolog	gical Resources	☐ Cultural Resources		☐ Geology /Soils
☐ Green	house Gas Emissions	☐ Hazards & Hazardous	Materials	☐ Hydrology / Water Quality
□ Land	Use / Planning	☐ Mineral Resources		□ Noise
□ Popul	ation / Housing	☐ Public Services		Recreation
☐ Trans	portation/Traffic	☐ Utilities / Service System	ems	☐ Mandatory Findings of Significance
	IINATION: (To be completed asis of this initial evaluation			
	I find that the proposed NEGATIVE DECLARATION		ve a significan	t effect on the environment, and a
		nis case because revision	ns in the projec	fect on the environment, there will not t have been made by or agreed to by vill be prepared.
	I find that the proposed project MAY have a significant effect on the environment, and a ENVIRONMENTAL IMPACT REPORT is required.			
	unless mitigated" impact of an earlier document pursu	on the environment, but a uant to applicable legal s lier analysis as describe	it least one effect standards, and it d on attached sl	nt impact" or "potentially significant ct 1) has been adequately analyzed in 2) has been addressed by mitigation neets. An ENVIRONMENTAL IMPACT ain to be addressed.
	potentially significant eff DECLARATION pursuant to	ects (a) have been ana capplicable standards, a DECLARATION, including	ilyzed adequate nd (b) have been g revisions or m	ffect on the environment, because all ely in an earlier EIR or NEGATIVE avoided or mitigated pursuant to that hitigation measures that are imposed
loshua Ma	ann, Associate Planner		September 28, 2	010
Prepared I			Date	

EVALUATION OF ENVIRONMENTAL IMPACTS:

- 1) A brief explanation is required for all answers except "No Impact" answers that are adequately supported by the information sources a lead agency cites in the parentheses following each question. A "No Impact" answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g., the project falls outside a fault rupture zone). A "No Impact" answer should be explained where it is based on project-specific factors as well as general standards (e.g., the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis).
- 2) All answers must take account of the whole action involved, including off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.
- 3) Once the lead agency has determined that a particular physical impact may occur, then the checklist answers must indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant. "Potentially Significant Impact" is appropriate if there is substantial evidence that an effect may be significant. If there are one or more "Potentially Significant Impact" entries when the determination is made, an EIR is required.
- 4) "Negative Declaration: Less Than Significant With Mitigation Incorporated" applies where the incorporation of mitigation measures has reduced an effect from "Potentially Significant Impact" to a "Less Than Significant Impact." The lead agency must describe the mitigation measures, and briefly explain how they reduce the effect to a less than significant level (mitigation measures from Section XVII, "Earlier Analyses," may be cross-referenced).
- 5) Earlier analyses may be used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration.

Section 15063(c)(3)(D). In this case, a brief discussion should identify the following:

- a) Earlier Analysis Used. Identify and state where they are available for review.
- b) Impacts Adequately Addressed. Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis.
- c) Mitigation Measures. For effects that are "Less than Significant with Mitigation Measures Incorporated," describe the mitigation measures which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project.
- 6) Lead agencies are encouraged to incorporate into the checklist references to information sources for potential impacts (e.g., general plans, zoning ordinances). Reference to a previously prepared or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated.
- 7) Supporting Information Sources: A source list should be attached, and other sources used or individuals contacted should be cited in the discussion.
- 8) This is only a suggested form, and lead agencies are free to use different formats; however, lead agencies should normally address the questions from this checklist that are relevant to a project's environmental effects in whatever format is selected.
- 9) The explanation of each issue should identify:
 - a) the significant criteria or threshold, if any, used to evaluate each question; and
 - b) the mitigation measure identified, if any, to reduce the impact to less than significant.

ISSUES

I. AESTHETICS Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Have a substantial adverse effect on a scenic vista?				X
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?				x
c) Substantially degrade the existing visual character or quality of the site and its surroundings?				Х
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?				х

Discussion: The site itself is not considered to be a scenic resource or a unique scenic vista. Community standards generally do not dictate the need or desire for architectural review of agricultural uses. Any development resulting from this project will be consistent with existing area developments.

Mitigation: None.

References: Stanislaus County General Plan and Support Documentation¹.

II. AGRICULTURE AND FOREST RESOURCES: In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Department of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board. – Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?			х	
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?				Х
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?				X

d) Result in the loss of forest land or conversion of forest land to non-forest use?		X
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?		x

Discussion: The project site is enrolled in Williamson Act Contract No. 73-1408. The Farmland Mapping and Monitoring Program identifies the project site as having soils consisting of "Unique Farmland" on one-half of the project site with a mixture of "Farmland of Statewide Importance" and "Rural Residential" on the other one-half of the site. This project will have no impact to forest land or timberland nor a significant impact on the conversion of farmland. This area of the proposed project expansion is actively being used as a part of the overall operation. This project will not conflict with any agricultural activities in the area and/or lands enrolled under the Williamson Act.

Within the A-2 zoning district, the County has determined that certain uses related to agricultural production are "necessary for a healthy agricultural economy." The County allows three tiers of related uses within the A-2 zone when it is found that the proposed use "will not be substantially detrimental to or in conflict with the agricultural use of other property in the vicinity." The proposed use falls under the Tier I use category for the A-2 zoning district. Tier I uses are deemed "closely related to agriculture and are necessary for a healthy agricultural economy."

Section 21.20.045(A) of the Stanislaus County Zoning Ordinance requires that all uses approved on Williamson Act contracted lands shall be consistent with three principles of compatibility:

- 1. The use will not significantly compromise the long-term productive agricultural capability of the subject contracted parcel or parcels or on other contracted lands in the A-2 zoning district;
- 2. The use will not significantly displace or impair current or reasonably foreseeable agricultural operations on the subject contracted parcel or parcels or on other contracted lands in the A-2 zoning district. Uses that significantly displace agricultural operations on the subject contracted parcel or parcels may be deemed compatible if they relate directly to the production of commercial agricultural products on the subject contracted parcel or parcels or neighboring lands, including activities such as harvesting, processing, or shipping; and
- The use will not result in the significant removal of adjacent contracted land from agricultural or open-space use.

The Department of Conservation (DOC) was referred this project and did not provide comments. Based on the specific features and design of this project, it does not appear this project will impact the long-term productive agricultural capability of the subject contracted parcel or other contracted lands in the A-2 zoning district. There is no indication this project will result in the removal of adjacent contracted land from agricultural use. Pursuant to Section 21.20.045(B)(3) of the Stanislaus County Zoning Ordinance, Tier I uses are determined to be consistent with the principles of compatibility and may be approved on contracted land.

In December of 2007, Stanislaus County adopted an updated Agricultural Element which incorporated guidelines for the implementation of agricultural buffers applicable to new and expanding non-agricultural uses within or adjacent to the A-2 zoning district. The purpose of these guidelines is to protect the long-term health of agriculture by minimizing conflicts such as spray drift and trespassing resulting from the interaction of agricultural and non-agricultural uses. Prior to project approval, the applicant may present an alternative to the buffer requirements to the Agricultural Advisory Board for support. Alternatives may be approved provided the Planning Commission finds that the alternative provides equal or greater protection than the existing buffer standards. Current buffer guideline standards require a project to provide solid fencing and a double row of landscaping around the perimeter of the proposed operation. Due to the proposed expansion, this project will be required to propose an alternative buffer to the Ag Advisory Board at the next available meeting.

Mitigation: None.

References: Stanislaus County General Plan and Support Documentation¹.

III. AIR QUALITY Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Conflict with or obstruct implementation of the applicable air quality plan?				х
b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?			x	
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?			x	
d) Expose sensitive receptors to substantial pollutant concentrations?			х	
e) Create objectionable odors affecting a substantial number of people?			х	

Discussion: The project site is within the San Joaquin Valley Air Basin, which has been classified as "severe non-attainment" for ozone and respirable particulate matter (PM-10) as defined by the Federal Clean Air Act. The San Joaquin Valley Air Pollution Control District (SJVAPCD) has been established by the State in an effort to control and minimize air pollution. As such, the District maintains permit authority over stationary sources of pollutants.

The primary source of air pollutants generated by this project would be classified as being generated from "mobile" sources. Mobile sources would generally include dust from roads, farming, automobile exhausts, and the organic decomposition of food processing by-products. Mobile sources are generally regulated by the Air Resources Board of the California EPA which sets emissions for vehicles and acts on issues regarding cleaner burning fuels and alternative fuel technologies. As such, the District has addressed most criteria air pollutants through basin wide programs and policies to prevent cumulative deterioration of air quality within the Basin. The applicant is proposing a 1,000 KW co-generation unit that will convert agricultural waste material into a synthetic natural gas (syngas). The syngas unit will be used for on-site needs, mainly powering electric generators and grinders. The electric grinders will be within an enclosed building that is currently under construction. The applicants' intent is to convert all existing diesel grinders to electric and to enclose grinding operations to address any potential air quality concerns.

The SJVAPCD has reviewed this project and has identified that the project is expected to have no significant adverse impact to the overall air quality that may result due to construction activities in preparation of the site, ongoing traffic, and other operational emissions. The response provided by the SJVAPCD identified that the proposed project will be subject to the following District rules: Regulation VIII (Fugitive PM-10 Prohibitions); Rule 4102 (Nuisance); Rule 4601 (Architectural Coatings); and Rule 4641 (Cutback, Slow Cure, and Emulsified Asphalt, Paving and Maintenance Operations). District Rule 4002 (National Emission Standards for Hazardous Air Pollutants) was identified as a possible requirement should the facility be renovated, partially demolished, or removed in the future. These rules have been adopted by the District to reduce emissions throughout the San Joaquin Valley and will be required as part of the project's conditions of approval.

The response also included a brief discussion that the facility may need to be evaluated for possible Toxic Air Contaminants (TACs) by the SJVAPCD. The main concern with TACs originates from the generation of Diesel Truck Emissions by vehicles utilized by the CVAG facility. The applicant has identified that, on average, 50-55 loads/trucks either enter or leave the CVAG facility per day. The application had originally identified 136 loads/trucks per day, but CVAG has scaled back site operations since the original submittal. The loads/trucks entering and leaving the site typically include both "passenger vehicles" (2-axle vehicles/pick-up trucks and dump trucks) and "heavy trucks" (3-axle vehicles/semis).

Food processing by-products are organic materials and release Volatile Organic Compounds (VOCs) into the atmosphere during the decomposition process. The significance of impact to the environment due to the breakdown of food processing by-products and the release of VOCs from those by-products is not known at this time. A formal study to collect VOC/Greenhouse Gas data is currently being conducted by the SJVAPCD.

The Stanislaus County Food Processing By-Product Use Program was developed to assist in preventing nuisance conditions including excessive objectionable odors. The County Ordinance (Title 9, Ch. 9.88) provides enforcement abilities used to prevent and mitigate public nuisance conditions. Prior to being permitted by DER for such activities, a contingency plan must be incorporated into the "Plan of Operation" to address unforeseen excessive objectional odor conditions. Both DER and the SJVAPCD are responsible for investigating objectional odor complaints.

Mitigation: None.

References: Referral response from the San Joaquin Valley Air Pollution Control District (SJVAPCD) dated May 26, 2010, San Joaquin Valley Air Pollution Control District - Regulation VIII Fugitive Dust/PM-10 Synopsis, Stanislaus County General Plan and Support Documentation¹, Stanislaus County Code, Title 9.

IV. BIOLOGICAL RESOURCES Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?			х	
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or US Fish and Wildlife Service?				x
c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?				X
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?			x	
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?			X	
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?				x

Discussion: It does not appear this project will result in impacts to endangered species or habitats, locally designated species, or wildlife dispersal or migration corridors.

The project site has been actively used as an agricultral grinding business (existing/proposed business) for many years and currently is partially planted with seasonal crops and/or pasture land on the area not used for the grinding business. The proposed "expansion" is located in an area of the project site that can be described as a previously developed "cluster" of buildings and storage/grinding piles.

There are no natural habitats on-site and no suitable habitats for any sensitive plant, animal, or invertebrate species on or surrounding the site. The California Natural Diversity Database (CNDDB) indicates that there is no record of any biological resource as generally reported by the CNDDB.

Based on the lack of suitable habitat on the project site, there would be no direct impact to any sensitive plant, animal, or invertebrate species from approval of the proposed use permit. In addition, because the site and the surrounding areas are currently under cultivation and are intensively farmed, it is unlikely that this project would result in any significant direct or indirect impacts to any biological resources beyond those that currently exist.

Because there are no identifiable impacts to any biological resources, no mitigation is required.

Mitigation: None.

References: Stanislaus County General Plan and Support Documentation¹, California Department of Fish and Game California Natural Diversity Database.

V. CULTURAL RESOURCES Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Cause a substantial adverse change in the significance of a historical resource as defined in § 15064.5?				Х
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to § 15064.5?				х
c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?				Х
d) Disturb any human remains, including those interred outside of formal cemeteries?				Х

Discussion: It does not appear this project will result in significant impacts to any archaeological or cultural resources. Cultural resources are not known to exist on the project site. As part of the application submittal, the applicant provided a historical and cultural records report from the Central California Information Center. The records report states that there are no significant resources on-site or on record in any of the databases used to furnish the report. The site does contain features that appear to be over 50 years old and, as such, could be considered to be a potential historic resource due to the age. These features include the on-site dwelling and the irrigation canal (Carville Drain). The current application makes no mention of any destruction or alteration of these features; however, the Planning Department will place a standardized condition of approval on the project to address any discovery of cultural/historical resources during the future construction or development of the project site.

Mitigation: None.

References: Central California Information Center (CCIC) records report, dated October 20, 2006, Stanislaus County General Plan and Support Documentation¹.

VI. GEOLOGY AND SOILS Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:				
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.			Х	
ii) Strong seismic ground shaking?			X	
iii) Seismic-related ground failure, including liquefaction?			x	
iv) Landslides?				Х
b) Result in substantial soil erosion or the loss of topsoil?			X	
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?			х	
d) Be located on expansive soil, as defined in Table 1804.2 of the California Building Code (2007), creating substantial risks to life or property?			Х	
e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?			Х	

Discussion: As contained in Chapter 5 of the General Plan Support Documentation, the areas of the County subject to significant geologic hazard are located in the Diablo Range, west of Interstate 5; however, as per the 2007 California Building Code, all of Stanislaus County is located within a geologic hazard zone (Seismic Design Category D, E, or F) and a soils test may be required at building permit application. Results from the soils test will determine if unstable or expansive soils are present. If such soils are present, special engineering of the structure will be required to compensate for the soil deficiency. Any structures resulting from this project will be designed and built according to building standards appropriate to withstand shaking for the area in which they are constructed. Any earth moving is subject to Public Works Standards and Specifications which considers the potential for erosion and run-off prior to permit approval. Likewise, any addition of a septic tank or alternative waste water disposal system would require the approval of DER through the building permit process, which also takes soil type into consideration within the specific design requirements.

Mitigation: None.

References: California Building Code (2007), Stanislaus County General Plan and Support Documentation - Safety Element¹.

VII. GREENHOUSE GAS EMISSIONS – Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?				x

Discussion: The proposed project should not generate greenhouses gas emissions, either directly or indirectly, that may have a significant impact on the environment or conflict with any plan, policy, or regulation adopted for the purpose of reducing the emissions of greenhouse gases.

Mitigation: None.

References: Stanislaus County General Plan and Support Documentation¹.

VIII. HAZARDS AND HAZARDOUS MATERIALS Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?			Х	
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?			x	
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?				x
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?				x
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?				x
f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?				х
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?				x
h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?				x

Discussion: The groundwater is not known to be contaminated in this area. Pesticide exposure is a risk in agricultural areas. Sources of exposure include contaminated groundwater which is consumed and drift from spray applications. Application of sprays is strictly controlled by the Agricultural Commissioner and can only be accomplished after first obtaining permits. DER is responsible for overseeing hazardous materials in this area and has not indicated any particular concerns on the project site. Any permits issued under the Food Processing By-Product Use Program (by DER) may require sampling and laboratory analysis of food by-product as required by the program regulations.

Mitigation: None.

References: Referral responses from the Department of Environmental Resources dated May 25, 2010 & June 3, 2010, Stanislaus County General Plan and Support Documentation¹, Stanislaus County Code, Title 9.

IX. HYDROLOGY AND WATER QUALITY Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Violate any water quality standards or waste discharge requirements?			х	
b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?				x
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?				x
d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?			X	
e) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?			x	
f) Otherwise substantially degrade water quality?			Х	
g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?				х
h) Place within a 100-year flood hazard area structures which would impede or redirect flood flows?				х
i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?				х
j) Inundation by seiche, tsunami, or mudflow?				Х

Discussion: No waste discharge requirements will be violated as a result of the proposed project. Run-off is not considered an issue because of several factors which limit the potential impact. These factors include a relative flat terrain of the subject site and relatively low rainfall intensities. Areas subject to flooding have been identified in accordance with the Federal Emergency Management Act. The project site itself is not located within a recognized flood zone and, as such, flooding is not an issue with respect to this project.

Food Processing By-Products will not be stored on-site for excessive periods of time unless properly containerized and/or covered as needed with the appropriate materials. Part of the Plan of Operation submitted to DER by the applicant (when applying for the permits) will contain contingency plans for sudden inclement weather conditions and excessive moisture. There is no known violation of water quality standards. It is known that the introduction of salt from Food Processing By-Products into the environment where it could significantly impact groundwater is a concern to the California Regional Water Quality Control Board (RWQCB). By-product sampling and testing will occur as required by Stanislaus County Code (Title 9) to monitor and by-product constituents. The potential of this project site to degrade the quality of the environment is less than significant due to the fact that it will be strictly regulated under Stanislaus County Code (Title 9) to prevent significant environmental impacts.

A response was received from the RWQCB outlining specific permits and programs with which the subject facility may be required to comply. The list of permits/programs noted by the RWQCB includes: Regional Treatment System Considerations; Antidegradation Considerations; Waste Discharge Requirements (WDRs); Construction Stormwater Permit; Industrial Stormwater Permit; and Dewatering Permit. The comments provided by the RWQCB will be incorporated into the project's conditions of approval.

Mitigation: None.

References: Referral response from the California Regional Water Quality Control Board (RWQCB) dated June 1, 2010, Stanislaus County General Plan and Support Documentation¹, Stanislaus County Code (Title 9).

X. LAND USE AND PLANNING Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Physically divide an established community?				Х
b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?				x
c) Conflict with any applicable habitat conservation plan or natural community conservation plan?				Х

Discussion: This project is consistent with the Agriculture designation and A-2-40 (General Agriculture) zoning of the site. The features of this project will not physically divide an established community or conflict with any habitat conservation plan or natural community conservation plan. This project is not known to conflict with any applicable land use plan, policy, or regulation of any agency with jurisdiction over the project.

Mitigation: None.

References: Stanislaus County General Plan and Support Documentation¹.

XI. MINERAL RESOURCES Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?				х

b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?		Х

Discussion: The location of all commercially viable mineral resources in Stanislaus County has been mapped by the State Division of Mines and Geology in Special Report 173. There are no known significant resources on the site.

Mitigation: None.

References: Stanislaus County General Plan and Support Documentation¹.

XII. NOISE Would the project result in:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?			X	
b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?			x	
c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?			X	
d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?			X	
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?				x
f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?				Х

Discussion: The Stanislaus County General Plan identifies noise levels up to 75 dB Ldn (or CNEL) as the normally acceptable level of noise for agricultural, industrial, manufacturing, and other similar land uses. Noise impacts associated with on-site activities and traffic are not anticipated to exceed the normally acceptable level of noise. The construction phase of this project may temporarily increase ambient noise levels. All normal operating activities are expected to be within the acceptable noise levels; and therefore, would be considered to be less than significant. In 2006 an application was submitted by the applicant to rezone the project site to allow for a variety of uses which are not allowed in the A-2 zoning district. This rezone application was ultimately withdrawn by the applicant. During the processing of the 2006 rezone application, the applicant provided an Acoustical Assessment (noise study) which analyzed the noise generated by on-site activities. The noise study identified the grinding activities as the main source of noise on-site. Since the 2006 application and the Acoustical Assessment, the overall grinding activities have changed. Due to potential concerns over air quality and noise, the applicant is presently constructing a building which will enclose all grinding operations. In addition, all material grinding machines will be switched from diesel to electric.

Mitigation:	None
Miltigation.	None

References: Stanislaus County General Plan and Support Documentation¹.

XIII. POPULATION AND HOUSING Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?				x
b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?				х
c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?				Х

Discussion: The proposed use of the site will not create significant service extensions or new infrastructure which could be considered as growth inducing. No housing or persons will be displaced by this project.

Mitigation: None.

References: Stanislaus County General Plan and Support Documentation¹.

XIV. PUBLIC SERVICES	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:				
Fire protection?			X	
Police protection?			X	
Schools?			X	
Parks?				Х
Other public facilities?			Х	

Discussion: The County has adopted Public Facilities Fees, as well as one for the Fire Facility Fees on behalf of the appropriate fire district, to address impacts to public services. Such fees are required to be paid at the time of building permit issuance. Conditions of approval will be added to this project to insure the proposed development complies with all applicable fire department standards with respect to access and water for fire protection. The Stanislaus Consolidated Fire Protection District responded to the project referral and requested that various conditions of approval be added to the project. These conditions mainly focus on properly maintaining interior fire access routes, monitoring material piles to prevent combustion, and limiting the height, width, and length of material piles. These conditions will be incorporated into the project's overall conditions of approval.

Mitigation: None.

References: Referral response from the Department of Parks & Recreation dated June 15, 2010, referral response from the Stanislaus Consolidated Fire Protection District dated May 27, 2010, Stanislaus County General Plan and Support Documentation¹.

XV. RECREATION	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?				X
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?				х

Discussion: The project will not have any impacts to parks and recreation.

Mitigation: None.

References: Referral response from the Department of Parks & Recreation dated June 15, 2010, Stanislaus County General Plan and Support Documentation¹.

Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
			x
			х
			x
			Х
			Х
			Х
	Significant	Significant Significant Impact With Mitigation	Significant Significant Significant Impact With Mitigation Impact

Discussion: This project to expand CVAG will not substantially increase traffic for this area. The proposed project will have direct access onto Langworth Road which is a County-maintained road. The applicant, at the request of the Department of Public Works, has provided some information which outlines the amount of traffic that is generated from the project site. At full build-out, including the activities requiring additional permits from DER, the facility is estimated to

generate a total of 54 "truck trips" per day. The Stanislaus County Department of Public Works has reviewed the traffic information provided by the applicant and has determined that no significant traffic impacts will occur as a result of this project. Public Works has provided a set of comments which will be incorporated into the project's conditions of approval. The traffic information submitted by the applicant can be seen in the attachments.

Mitigation: None.

References: Referral response from the Department of Public Works dated September 7, 2010, Stanislaus County General Plan and Support Documentation¹.

XVII. UTILITIES AND SERVICE SYSTEMS Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?			x	
b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?			x	
c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?			х	
d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?				x
e) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?			x	
f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?				х
g) Comply with federal, state, and local statutes and regulations related to solid waste?				х

Discussion: Limitations on providing services have not been identified and no referral responses have been received noting there could be any issues with this proposed project. The applicant is proposing a 1,000 KW co-generation unit that will convert agricultural waste material into a synthetic natural gas (syngas). The syngas will be used for on-site needs, mainly powering electric generators and grinders. A response was received from the RWQCB outlining specific permits and programs with which the subject facility may be required to comply. The list of permits/programs noted by the RWQCB includes: Regional Treatment System Considerations; Antidegradation Considerations; Waste Discharge Requirements (WDRs); Construction Stormwater Permit; Industrial Stormwater Permit; and Dewatering Permit. The comments provided by the RWQCB will be incorporated into the project's conditions of approval.

Mitigation: None.

References: Referral response from the California Regional Water Quality Control Board (RWQCB) dated June 1, 2010, Stanislaus County General Plan and Support Documentation¹.

XVIII. MANDATORY FINDINGS OF SIGNIFICANCE	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?				x
b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?				x
c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?			х	

Discussion: Review of this project has not indicated any features which might significantly impact the environmental quality of the site and/or the surrounding area.

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¹Stanislaus County General Plan and Support Documentation adopted in October 1994, as amended. Optional and updated elements of the General Plan and Support Documentation: *Agricultural Element* adopted on December 18, 2007; *Housing Element* adopted on April 20, 2010 and pending certification by the California Department of Housing and Community Development; *Circulation Element* and *Noise Element* adopted on April 18, 2006.

NEGATIVE DECLARATION

NAME OF PROJECT: Use Permit Application No. 2010-06 - Central Valley Ag Grinding

LOCATION OF PROJECT: 5507 Langworth Road, south of Patterson Road, north of Claribel Road, east of the City of

Riverbank. (APN: 062-029-001)

PROJECT DEVELOPERS: Paul Konzen / Mike Barry

5707 Langworth Road Oakdale, CA 95361

DESCRIPTION OF PROJECT: Request to expand an existing "Agricultural Product" grinding business on a 70± acre parcel, originally permitted under Use Permit No. 99-11. The business converts agricultural waste products and "green" waste into products used in the livestock industry, soil amendments, and related uses. A 1,000 KW co-generation "syngas" unit is included in this application. This property is currently enrolled in Williamson Act Contract No. 73-1408 and this use is considered to be consistent with the zoning designation and the Williamson Act. This application will allow Central Valley Ag Grinding (CVAG) to add approximately nine (9) acres to the permitted area that currently is used for material storage.

Part of the current and proposed operations at CVAG are permitted by the Department of Environmental Resources (DER) and regulated under Stanislaus County Code Title 9. The programs which CVAG is currently permitted to conduct on-site include: Stanislaus County Food Processing By-Product (Direct Feed Operation) and Stanislaus County Small Refuse Hauler Permit. The current application will enable CVAG to be permitted under two additional programs: Stanislaus County Food Processing By-Product (Dehydration Operation) and Stanislaus County Organic Recycling Facility Permit. This current Use Permit application will allow CVAG to apply for the activities permitted by these programs although individual permits from DER will be required prior to conducting such activities. The permits issued and regulated by DER may also include additional requirements/conditions not included in this Use Permit.

The Stanislaus County Food Processing By-Product (Direct Feed Operation) generally involves the receiving of food processing by-products which are contained on a concrete pad then mixed with hay and/or alfalfa within 24 hours. After being mixed, the end product is then used for an animal feed to feed the project applicants' own livestock. The Stanislaus County Food Processing By-Product (Dehydration Operation) at CVAG includes the receiving of peach and olive pits; although, depending on various factors other varieties of fruit pits may be used from time to time. Once on-site, the pits are dried and grinded then transported off-site. In general, peach/fruit pits are obtained from food processors including Seneca, Dole, and Del Monte. Olive pits are obtained from Musco Family Olive Company located in Tracy, California.

Based upon the Initial Study, dated September 28, 2010, the Environmental Coordinator finds as follows:

- 1. This project does not have the potential to degrade the quality of the environment, nor to curtail the diversity of the environment.
- 2. This project will not have a detrimental effect upon either short-term or long-term environmental goals.
- 3. This project will not have impacts which are individually limited but cumulatively considerable.
- 4. This project will not have environmental impacts which will cause substantial adverse effects upon human beings, either directly or indirectly.

The Initial Study and other environmental documents are available for public review at the Department of Planning and Community Development, 1010 10th Street, Suite 3400, Modesto, California.

Initial Study prepared by: <u>Joshua Mann, Associate Planner</u>

Submit comments to: Stanislaus County

Planning and Community Development Department

1010 10th Street, Suite 3400 Modesto, California 95354



December 4, 2010

Planning Commission
Stanislaus County Department of Planning
and Community Development
1010 10th St. Ste. 3400
Modesto, Ca 95354

Dear Planning Commissioners,

I'm writing to voice my support for Central Valley Ag Grinding's application that is before you. I have used their facility for nine years and truly appreciate the convenience of having a place to bring my yard waste. A bonus to me is knowing that my waste will be recycled and used for other applications. It is obvious to me when I'm there, that their standards are high. The facility is always organized and tidy.

Supporting locally owned business's like this is vital to bringing our economy back. Aside from the fact that they employ over 50 people, their employees live in our county and every dollar they spend helps keep other local businesses like mine stay alive. It is imperative that government works hard to make it easier for people like Mike and Paul to succeed. I urge you to approve their application.

Sincerely,

David P. Halvorson

President

DPH/cs

4742 McHenry Ave. Modesto, CA 95356 (209) 575-1606



Frito-Lay, Inc.

December 7, 2010

Planning Commissioners Stanislaus County Department of Planning and Community Development 1010 10th St., Suite 3400 Modesto, CA 95354

Dear Commissioners:

My name is Brenda Moppins, the Environmental Coordinator for Frito Lay, Inc. Modesto. Frito Lay produces certain surplus dry and/or wet finished waste (hereinafter called "By-Products") arising out of the manufacture of various snack food products. Frito Lay sells By-Products to Central Valley Ag Grinding's facility at 5507 Langworth Road with the understanding that the buyer has NO intention to, and shall not provide the by-products for human consumption but rather for beneficial reuse. As a company, we are committed to minimizing the impact our business has on the environment and wherefore, it has been a win-win for Frito-Lay to be able to send by-products to Central Valley Ag Grinding for such reuse. Frito Lay supports Central Valley Ag Grinding's Use Permit application #2010-06 and hope you would consider their continuing and creative partnerships that help address environmental challenges as well as diversion from our landfills.

Should you require additional information, please do not hesitate to contact me.

Sincerely,

Brenda Moppins Frito Lay, Inc. Environmental Coordinator 600 Garner Road Modesto, CA 95209

19 November 2010

David Avila 8651 Crane Road Oakdale, California 95361 209-595-5997

Stanislaus County Planning & Community Development 1010 10th Street
Modesto, California 95354
Joshua Mann

Reference: Environmental Referral-Use Permit Application No. 2010-06 Central Valley Ag Grinding

Dear Mr. Mann;

I just today noticed the CEQA review at the Stanislaus County Planning & Community Development web site.

I have used Central Valley Ag Grinding as a drop off location for wood and vegetation clippings and prunnings in the past. Their location is very conveniently located to the Oakdale, Riverbank, Empire and north east areas of Modesto.

I believe they provide an important service in their receiving and processing waste and by products from the local areas. As you are well aware, these products that are being recycled by Central Valley Ag Grinding have historically been land fill bound. Today, with operation as CVAG, these wastes are being recycled to cattle feeds and many other useful products.

I support this project.

Thank you,



RECEIVED



OCT 29 2010

STANISLAUS COUNTY DEPARTMENT OF PUBLIC WORKS

MEMORANDUM

DATE:

October 27, 2010

TO:

Milton O'Haire, Agricultural Commissioner

Thomas E. Boze, County Counsel Jonathan Coley, Hazardous Materials Kathy Anderson, Cooperative Extension

Angie Halverson, Public Works

Raul Mendez, Chief Executive Office

Ken Slamon, Stanislaus Fire Prevention Bureau Bella Badal, Department of Environmental Res.

Vicki Jones, Solid Waste Management

Tim Beck, Human Resources, Sherriff Department

Margarita Ramos, Parks Department

FROM:

Donald Jepson, PhD

SUBJECT:

Letter of Support for CVAG Dehydration Permit

In June of 2008, Seneca Foods, LLC of Modesto entered into an agreement with Central Valley Agricultural Grinding, Inc (CVAG), located at 5509 Langworth Road, Oakdale, CA. In the agreement, CVAG agreed to receive and handle certain byproducts of Seneca including peach pits, culled fruit, fruit pulp, fruit pumice, fruit skins and stems. CVAG agreed to handle all products in an environmentally responsible manner that meets or exceeds all Modesto City and Stanislaus County regulations.

Seneca has just concluded our third pack season under this agreement. Seneca feels fortunate to have CVAG handle our byproduct. The company feels that CVAG handles our byproduct in a responsible manner that is environmentally sound. Our corporate environmental staffs from Janesville, Wisconsin and Modesto have visited the CVAG's location on an annual basis and have always been impressed with the efficiency and manner by which this location is operated. The site is clean and well organized. There have not been any obnoxious odors when Seneca has visited the site. It is a well managed operation. Nothing appears to be out of compliance. It has been advantageous for Seneca to have a business relationship with CVAG because one of Seneca's fundamental beliefs is to maintain the highest standards for protecting the

workers and the environment. To our knowledge, there have been no environmental problems handling our byproduct.

Seneca plans to maintain their relationship with CVAG because handling our byproducts in an environmentally responsible manner is an integral part of our operation that we intend to continue. CVAG seems to represent the best option for Seneca to handle our byproducts responsibly.

The impact of not having CVAG available to handle our byproducts would have a serious affect on our plant from both an economic and environmental aspect. As far as we know, there is not a viable alternative available to handle our byproducts. From an environment perspective, we feel CVAG handles our byproducts in an environmentally safe manner. To our knowledge, CVAG has had no county violations. CVAG converts our byproducts into products that have a viable use. In 2009, we sent 15,500 tons of wet waste (animal feed) and 8,800 tons of peach pits (converted to fire logs) to CVAG to process. This is much better than dumping our 24,000 tons of byproducts into a landfill. Seneca Foods would be at a loss if the use permit application No. 2010-06-Cental Valley Ag Grinding was not granted.