



OPERATIONAL STATEMENT FOR THE COALINGA MINE EXPANSION PROJECT

Prepared for:

Granite Construction Company
2716 Granite Court
Fresno, CA 93706

Prepared by:

Compass Land Group
3140 Peacekeeper Way, Suite 102
McClellan, CA 95652

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INTRODUCTION

On August 13, 2020, the Fresno County Planning Commission adopted a Mitigated Negative Declaration (Initial Study Application No. 7029) and approved a Conditional Use Permit (Unclassified Conditional Use Permit Application No. 3512) to allow the expansion of Granite Construction Company's ("Granite") existing aggregate mining operation on a 299.11-acre parcel in the unincorporated area of the County of Fresno and a 202.54-acre parcel in the City of Coalinga ("Project") (see Figure 1, Site and Vicinity Map and Sheet 1, Title Sheet).

The Project will require a use permit for mining¹ from the City of Coalinga in the portion of APN# 07006089s that lies within the City of Coalinga jurisdictional limits. This Operational Statement has been prepared in support of the use permit application, and provides an overview of key Project elements.

OPERATIONAL STATEMENT CHECKLIST

1. Nature of the operations.

Granite owns and operates an existing, permitted aggregate mining and processing operation in western Fresno County known as the Coalinga Facility. The Coalinga Facility consists of multiple permitted mining areas under CA Mine ID Nos. 91-10-0005 and 91-10-0007, which are governed by Fresno County Conditional Use Permit ("CUP") and Reclamation Plan Nos. 2320, and 3512 (which superseded CUP 915 in areas of overlap), respectively. In addition to mining and reclamation, existing permitted uses at the Coalinga Facility include aggregate, asphalt and concrete processing plants, as well as ancillary uses such as aggregate stockpiling/loading/sales, construction materials recycling, and equipment storage and maintenance. The Coalinga Facility is a regionally important source of high-quality construction aggregate material that has helped serve the building and infrastructure needs of the local market for approximately fifty (50) years.

The Project parcels total approximately 502 acres, and straddle two jurisdictions: 1) County of Fresno (APN# 07006086s, 299.11 acres); and, 2) City of Coalinga (APN# 07006089s, 202.54 acres). Under CUP 3512, Granite modified CUP 915 to include a new extraction area that lies west of Los Gatos Creek on APN# 07006086s in the County of Fresno. *Note: CUP/Reclamation Plan 2320 will not be modified by the Project.*

Mining and related project activities will be conducted on approximately 368 acres of the Project parcels, with the remainder left undisturbed (e.g., the majority of the Los Gatos Creek floodplain) or reserved for alternative uses (e.g., commercially zoned property in the northeast corner) (see Figure 2, Site Overview Map and Sheet 2, Existing Site Features). The

¹ The County of Fresno is the Lead Agency for the purposes of administration of the Surface Mining and Reclamation Act (SMARA) and thus, the approved Reclamation Plan under CUP 3512 covers the entire Project area under both the County and City parcels. However, a use permit for mining activities on APN# 07006089s is required from the City of Coalinga (see Figure 3, Existing and Proposed Entitlements Map).

Project area contains an estimated eighty-two (82) million tons of aggregate reserves, which would allow for greater than fifty (50) years of additional operational life at historical average production levels.

Mining operations will be performed in a manner consistent with current practices at the existing Coalinga Facility and would be initiated by the removal of vegetation, topsoil/growth media, and overburden materials which lie above marketable sand and gravel deposits. The overlying materials will be removed using scrapers aided by a motor grader and a bull dozer, as needed. After overlying materials are removed, marketable sand and gravel will be excavated using a combination of scrapers, front-end loaders, hydraulic excavators, bulldozers and other support equipment. In new excavation areas, mining will not occur within 50 feet of the Los Gatos Creek floodplain, consistent with the Project's hydraulic analysis. Following excavation, the sand and gravel will be transported via conveyor and/or internal haul roads to the existing processing plants where it will be processed and/or sold for use in construction materials. *Note that the Project involves only mining/reclamation and transportation of mined aggregates to the existing processing plants. Beyond construction materials recycling (current practice) and potentially limited initial screening of aggregates, no processing is anticipated in the Project area.* Mining methods will be consistent with current operations at the existing Coalinga Facility, and no changes to baseline mining production levels were proposed².

Transport of sand and gravel from the east side of Los Gatos Creek (Phase 4 and Phase 5) to the west side of Los Gatos Creek will occur via an elevated conveyor system (see Sheet 4, Mining Plan). The elevated conveyor system will consist of a belt conveyor on a steel truss frame supported by two 4-foot diameter columns in the floodplain (but outside of the Creek channel) and two 4-foot diameter columns outside of the floodplain. The conveyor system will be situated above the 100-year flood elevation, which is approximately 710.17 feet. The belt conveyor will be equipped with water spray nozzles to minimize dust. Conveyor wiper blades will be used to prevent material build-up on the belt and the steel truss frame will be equipped with a spill pan, which will catch any side-cast sand and gravel and prevent sedimentation in Los Gatos Creek (reference Mitigation Measure 9 for CUP 3512). The elevated conveyor crossing will be constructed to the appropriate scale and intensity of use (see Figure 7, Conceptual Bridge Conveyor Schematic).

The elevated conveyor crossing will be installed in the non-rainy season and will not involve removal of riparian species, or removal, filling, or hydrological interruption of Los Gatos

² An operational baseline was determined by averaging the annual aggregate production totals between 2003 and 2014, which resulted in an average annual production of approximately 1.5 million tons per year. A 12-year average was determined to be an appropriate range for an accurate baseline, as it captures economic changes as a result of fluctuating market demands that directly affect sales and production of material.

Creek. Proper permits will be obtained, as necessary, prior to installation of the crossing (reference Mitigation Measure 8 for CUP 3512).

Mining will progress in a phased manner to allow for concurrent reclamation (to the extent practicable) (see Sheet 3, Mining Phasing Overview). Final reclamation, consisting of slope reclamation, replacement of growth media, and revegetation will commence as soon as final excavation grades are achieved. The approved end use for the site following reclamation will be open space, consistent with the existing reclamation plans for the Coalinga Facility. An estimated time schedule for reclamation of the areas disturbed by mining activities is provided in Table 1, below.

TABLE 1
APPROVED PROJECT PHASING

Phase	Est. Acres	Est. Tons (millions)	Est. Years to Completion
Phase 1	78	19	13
Phase 2	79	22	15
Phase 3	74	20	13
Phase 4	46	6	4
Phase 5	69	9	6
Phase 6	22	6	4
Total	368	82	55

Notes:

1. *Actual phasing depths, boundaries, quantities and timelines may be affected by unforeseen changes in geology and market conditions.*
2. *Estimated years to completion calculated using historical average production rate of 1.5 million tons/year.*

See accompanying Reclamation Plan and supportive technical studies for additional details regarding the proposed Project.

2. Operational time limits.

No change to the permitted hours of operation as described in CUP 3512 (Condition of Approval #3) is requested:

“3. Mine activities within the expansion area authorized by this permit shall be limited to the hours of 6:00 a.m. to 5:00 p.m. weekdays except during periods of public emergency or public works projects, in which case weekends and nights may be permitted. Maintenance of mobile and plant equipment may extend beyond the 6:00 a.m. to 5:00 p.m. weekday limits.”

3. Number of customers or visitors.

With the exception of miscellaneous service and delivery vehicles (e.g., electrical, maintenance, industrial deliveries) and occasional point of sale pickup of fill, pit run, or

screened material, Granite does not anticipate customers and/or visitors within the Project area. The majority of customers and visitors will continue to access defined areas of the Coalinga Facility, consistent with existing practices.

4. Number of employees.

Consistent with current practices at the existing Coalinga Facility, Granite estimates 10-20 employees associated with mining in the expansion area.

5. Service and delivery vehicles.

As mentioned above, Granite anticipates only occasional access by service and delivery vehicles (e.g., electrical, maintenance, industrial deliveries) within the Project area. Granite may, from time to time, utilize subcontract haulers to transport aggregate internally from the Project area to the existing processing plants. Access to the site

6. Access to the site.

Primary access to the Project area will occur via internal access roads from the existing Coalinga Facility (which itself is accessed via an existing encroachment off of State Route 198/33) (see Figure 2, Site Overview Map and Sheet 2, Existing Site Features). From time to time, employees and equipment may access the Phase 4 and 5 mining areas west of Los Gatos Creek utilizing encroachment(s) off of Monterey Avenue (see Sheet 3, Mine Phasing Overview).

7. Number of parking spaces.

Consistent with existing practices, the majority of parking will occur at the shop area of the Coalinga Facility, which currently has ~50 parking spaces for heavy equipment and employee/vendor vehicles. Availability of parking space is not a concern, as the Project area and the existing Coalinga Facility have sufficient space to accommodate parking for employees, customers, and service/delivery drivers.

8. Are any goods to be sold on-site? If so, are these goods grown or produced on-site or at some other location?

With the exception of occasional point of sale pickup of fill, pit run, or screened material, Granite does not anticipate direct sales from the Project area. Instead, Granite will transport mined material to the existing processing plants for processing and sale. Mining methods and intensity will be consistent with operations at the existing Coalinga Facility, and no changes to baseline mining production levels were proposed.

9. What equipment is used?

Mining and construction equipment will be similar to that currently in use at the Coalinga Facility, including: scrapers, bulldozers, motor graders, excavators, loaders, backhoes, water trucks, haul trucks, conveyor belts, and miscellaneous support equipment (e.g., service trucks, forklifts, cranes).

Vehicle idling will be limited to less than 5 minutes unless a longer time is necessary for safety, equipment will be maintained in good condition and in proper tune per manufacture specifications, and equipment maintenance records and equipment design specification data sheets will be kept on-site. The off-road mining and construction equipment will have Tier 4 final engines or better.

10. What supplies or materials are used and how are they stored?

Consistent with current practices, materials used in association with mining activities include various grades of fuels and lube oils for the site equipment. Storage of the materials will primarily occur at the existing shop and processing plants, and will be performed in accordance with local, state and federal regulations (see Figure 2, Site Overview Map and Sheet 2, Existing Site Features). Materials stored onsite are maintained in accordance with requirements of the Certified Unified Program Agency under a Hazardous Materials Business Plan (“HMBP”) and Spill Prevention, Control, and Countermeasure Plan (“SPCCP”). In the event that additional materials storage occurs within the Project area, the HMBP and SPCCP will be updated accordingly.

11. Does the use cause an unsightly appearance? Noise? Glare? Dust? Odor? If so, how will this be eliminated?

Granite completed a number of technical studies to analyze the potential impacts of the Project and incorporated measures into the Project design to prevent or minimize adverse effects on the environment and surrounding uses.

Appearance

The Project area is highly disturbed with widespread evidence of historical industrial activity (e.g., former airport landing strip and existing mining pits) and off-road vehicle use. Existing vegetation cover ranges from very sparse and almost nonexistent to small, dense patches of weedy species. Aside from Los Gatos Creek, no evidence of wetlands or other aquatic features exist within the Project area.

A portion of the Project area includes existing permitted mining pits, and the entire Project area is designated by the City of Coalinga for resource extraction (mining). Surrounding land uses include Granite’s existing Coalinga Facility to the north, undeveloped land and industrial uses to the west, and scattered commercial, recreational and residential uses to the east and south. The closest residences are greater than 1,000 feet from the Project area and are separated by Highway 198/33 and Cambridge Avenue.

The Project will involve the phased removal of vegetation, topsoil/growth media, and overburden materials. After stripping the overlying materials, marketable sand and gravel will be excavated below-grade using a combination of loaders, excavators, etc. In each phase, overburden material will be used to build earthen screening berms, which also serve as noise control berms (see Noise section below), around the majority of the Project boundary (see Sheet 4, Mining Plan). Once the proposed berm is built in each phase, the below-grade excavation will not be visible at eye-level from the surrounding areas. As a result, the Project will not impact the visual quality of the area.

Noise

A site-specific noise study was prepared for the Project. The noise analysis indicated that, absent noise mitigation, the Project has the potential to result in exceedances of the applicable City/County noise standards. These exceedances would occur once stripping operations are within 2,200 feet of a residential or school receptor location or within 2,300 feet of the Elks Lodge property line. However, the Project design incorporates noise control/visual screening berms six feet in height along the eastern and southern mining boundaries, which serve to decrease noise levels for compliance with the applicable noise standards (reference Mitigation Measure 14 and 15 for CUP 3512).

With the installation of the noise control berms, the project-generated noise levels and noise exposures will be in compliance with the standards of the City of Coalinga Noise Element and the Fresno County Noise Element and Noise Ordinance.

Glare

Consistent with existing practices, portable light towers and permanent light fixtures will be utilized to provide for a safe operating environment. Lighting will be shielded and arranged/controlled so as not to illuminate public rights-of-way or adjacent properties (reference Mitigation Measure 1 for CUP 3512).

Dust

Consistent with activities at the existing Coalinga Facility, the Project will comply with the San Joaquin Valley Air Pollution Control District ("SJVAPCD") regulations related to fugitive dust. More specifically, the Project will incorporate applicable control measures outlined within SJVAPCD's Rules related to control of fugitive dust during excavation and earthmoving activities (Regulation VIII), including the following:

1. Prior to removal of topsoil and overburden, the excavation area will be wetted by water trucks if removal occurs during the dry season.
2. Conveyors will be equipped with water spray nozzles at appropriate transfer points to minimize dust.

3. A water truck will be utilized at the site and water will be applied to unpaved portions of internal haul roads and working areas as frequently as necessary to prevent fugitive dust emissions. The number of daily applications of water varies depending on factors such as daily surface disturbance activities, temperature, and wind conditions. Alternately, other methods, such as the application of dust palliatives or gravel, may be applied to the internal haul roads to minimize fugitive dust (reference CUP 3512, Condition of Approval #5).

It should be noted that the Project involves only mining/reclamation and transportation of mined aggregates to the existing processing plants. Beyond potentially limited initial screening of aggregates in the mining area, no processing is anticipated in the expansion area. Therefore, the above measures will be sufficient to address potential dust generating activities associated with the Project.

Odor

Odors have not historically been a concern with the operations at the existing Coalinga Facility. The Project did not involve modification to the site's production levels, hours of operation, materials to be mined, equipment types, or mining methods. In addition, odors dissipate with distance and the nearest sensitive receptor is located greater than 1,000 feet from the Project area. Furthermore, the nearest receptor to the site will be separated from the Project area by perimeter berms, fencing, and either State Highway 33 or Cambridge Avenue.

It should be noted that the SJVAPCD regulates objectionable odors on a complaint basis. If complaints are received, the SJVAPCD investigates the complaint and determines a solution for the source of the complaint, which could include operational modifications. Thus, although not anticipated, if odor complaints are made, the operator and/or the SJVAPCD would ensure that such odors are addressed and any potential odor effects reduced to less than significant.

12. List any solid or liquid wastes to be produced.

Consistent with current operations, mining and reclamation activities in the Project area are expected to produce the following solid/liquid wastes:

- a. Refuse: Any incidental refuse or garbage will be hauled off-site and disposed of in accordance with local and state standards.
- b. Mine waste rock: Overburden materials consist of material not suitable for use in aggregate production. Approximately 4.4 million cubic yards (cy) of overburden material is anticipated within the Project area. Overburden will either be sold as a product (e.g., fill) or used in reclamation.
- c. Used equipment: Used equipment such as heavy equipment parts, conveyor belts, tires and other replacement or extra equipment pieces will be kept within a designated area

for reuse or recycling. Used parts potentially containing petroleum products (i.e., lubricants, hydraulic oil, etc.) will be stored using Best Management Practices to prevent contamination of soil or storm water runoff. Used equipment storage areas may change location during the life of the operation.

- d. Domestic sewage: Granite's sewage systems at the existing Coalinga Facility will be utilized, and may be supplemented with serviced portable toilets within the Project area.
- e. Used oil/antifreeze: Used petroleum products and antifreeze will be managed in accordance with applicable local, State, and Federal regulations, and will be picked up by approved haulers for recycling and/or disposal.

13. Estimated volume of water to be used (gallons per day); source of water?

Consistent with current practices, water usage associated with mining and reclamation activities in the Project area will be limited to that needed for dust control and will be supplied by on-site wells, and/or by recycled water from on-site settling ponds. Estimated daily water use is 100,000 gallons/day; this amount will vary depending on the weather.

14. Describe any proposed advertising including size, appearance, and placement.

No advertising signage is currently anticipated in the Project area. Granite will post plant identification and safety signage consistent with internal policies and regulatory agency requirements (e.g., no trespassing signs, Proposition 65 signs). The signage will be designed/placed consistent with applicable County/City signage requirements (see Site Plan Review Sheet 2, #2 and #3).

15. Will existing buildings be used or new buildings be constructed?

Within the Project area, Granite will continue to utilize the existing shop and associated structures, and the existing portable trailer (see Site Plan Review Sheet 2, #1 and #8). No additional permanent buildings are anticipated. Granite may utilize conex boxes (or similar) for miscellaneous on-site storage (e.g., parts, materials).

16. Explain which building or what portion of buildings will be used in the operation.

See answer to Question 15, above.

17. Will any outdoor lighting or outdoor sound amplification systems be used?

Consistent with existing practices, portable light towers and permanent light fixtures will be utilized to provide for a safe operating environment (see Site Plan Review Sheet 2, #4 and #5). Lighting will be shielded and arranged/controlled so as not to illuminate public rights-of-

way or adjacent properties. Mining and reclamation activities will not involve the use of any sound amplification system.

18.Landscaping or fencing proposed?

Perimeter fencing at least four (4) feet in height consisting of not less than three (3) strands of barbed wire (or an approved equivalent) will be installed consistent with Mining and Reclamation Standard H.4, Section 858 of Fresno County's Ordinance Code (reference CUP 3512, Condition of Approval #6). Visual screening of the site will be achieved through the use of noise control/visual screening berms consistent with Mining and Reclamation Standard H.5, Section 858 of Fresno County's Ordinance Code.

See Sheet 4, Mining Plan.

19.Any other information that will provide a clear understanding of the project or operation.

See accompanying Reclamation Plan and supportive technical studies for additional details regarding the proposed Project.