FIRST AMENDMENT TO QUARRY LEASE
(Required Lease Modification, Mitigation Amendment, Processing Amendment, and Lease Amendment)

THIS FIRST AMENDMENT TO QUARRY LEASE ("First Amendment"), dated as of ___________, 2013, is by and between the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("City" or "Landlord"), acting by and through its Public Utilities Commission ("SFPUC"), and OLIVER DE SILVA, INC., a California corporation ("Tenant"), and is made with reference to the facts and circumstances described in the Recitals set forth below.

RECITALS

A. City and Tenant entered into that certain Quarry Lease dated March 29, 2010 with an Effective Date of May 27, 2010 (the "Lease"). The Lease covers (i) the "Initial Premises," comprised of approximately 308.5 acres in Alameda County, California, adjacent to Calaveras Road, as more particularly described in Section 1.63 and Section 2.2 of the Lease, and (ii) the "Expansion Premises," comprised of approximately 58 acres, as more particularly described in Section 1.45 and Section 2.3 of the Lease. City delivered the Initial Premises to Tenant in the condition required by the Lease, and the Initial Term of the Lease commenced, on December 15, 2010.

B. Mining of the Initial Premises is presently subject to the terms and conditions of the existing Surface Mining Permit 30 ("Original SMP 30"), originally issued to Santa Clara Sand and Gravel Co., a California corporation, by the Alameda County Community Development Agency pursuant to the Alameda County Surface Mining Ordinance. Original SMP 30 authorizes mining to a depth of 140 feet until the earlier of June 1, 2021 or completion of reclamation of the mining site in accordance with the requirements of Original SMP 30. During the initial phase of the Lease, Tenant applied to Alameda County (as defined in Section 1.6 of the Lease) for a transfer of Original SMP 30 from the prior operator and posted a bond and assumed the financial assurances required by Alameda County in connection with the permit transfer, and Alameda County transferred Original SMP 30 from the prior operator to Tenant.

C. Section 3.3(a) of the Lease requires Tenant to submit an Application for Revised SMP 30 (as defined in Section 3.3(a) of the Lease) to Alameda County within six (6) months of the Lease Commencement Date, and provides that such Application for Revised SMP 30 must include certain matters, namely: the expansion of the mining area to include the Expansion Premises, the Minimum Required Improvements (as defined in Section 12.1 of the Lease and as restated in Exhibit A to this First Amendment for ease of reference), an Updated Reclamation Plan (as defined in Section 5.3 of the Lease), an extension of the permit through the date that is thirty (30) years following approval by Alameda County of the Application for Revised SMP 30, an increase in the mining depth to a minimum of 225 feet, and, at Tenant's option, the installation and operation of an asphalt plant and a ready mix concrete plant. As required by the Lease, following the transfer of Original SMP 30 to Tenant, Tenant submitted the Application for Revised SMP 30 to Alameda County and applied for and pursued the required environmental

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review for such modifications under the California Environmental Quality Act ("CEQA"). Tenant elected to include in the Application for Revised SMP 30 the installation and operation of both an asphalt plant and ready mix plant, and to apply for a maximum mining depth of up to 400 feet below ground surface in the deepest basin and for extended operating hours, and while the Application for Revised SMP 30 includes the slurry wall that is a Minimum Required Improvement under the Lease, it points out that analysis and investigations are still ongoing as to the appropriate design for an effective slurry cutoff wall. The Application for Revised SMP 30, as submitted by Tenant, is comprised of (i) the Alameda County Planning Department’s standard application form, (ii) an Application Supplement: Surface Mining Permit form, and (iii) an SMP-30 Revised Use Permit Description, dated October 2011, including (x) the figures included therein, (y) the Revised SMP-30 Use Permit (Sheet 1 -Surface Mining Permit Map) and (z) the Revised SMP-30 Reclamation Plan (Sheet 2 – Site Conditions, Sheet 3 – Mine Plan, Sheet 4 – Phasing and Reclamation Plan, and Sheet 5 – Cross Sections) submitted therewith. The multiphase mining plan included in the SMP-30 Revised Use Permit Description provides for the expansion of the existing processing plant to include the asphalt plant and ready mix plant, continued slope lay-back and deepening of the South Basin (as designated in Figure 5 of the Application for Revised SMP 30) (the “South Basin”), backfilling of the East Basin (as designated in Figure 5 of the Application for Revised SMP 30) with processed fines, and backfill of the South Basin sufficient for relocation of the processing plant to the southern end of the South Basin with mining proceeding northerly into the current plant site. The reclamation plan submitted as part of the SMP-30 Revised Use Permit Description assumes estimated combined water storage capacity in the North Basin (as designated in Figure 5 of the Application) and South Basin following completion of mining and restoration of approximately 27,000 acre feet.

D. As the lead agency under CEQA, Alameda County determined that an environmental impact report (EIR) was required for the proposed Application for Revised SMP 30. On October 25, 2011, Alameda County issued a Notice of Preparation of an EIR, which was circulated to responsible agencies, including the City, interested parties and individuals, and the State Clearinghouse. A Draft EIR was published for public review and comment on April 2, 2012 and made available for review and comment through May 17, 2012. The City participated in the environmental review process as a responsible agency. Alameda County responded to comments received during the comment period and published a Responses to Comments document, which together with the Draft EIR comprises the Final EIR. The Final EIR was made available for public review on July 2, 2012.

E. At a meeting held July 16, 2012, the Alameda County Planning Commission, by Resolution No. 12-14, certified the Final EIR, adopted CEQA findings and the Mitigation Monitoring and Reporting Program (MMRP), and approved the mining and reclamation plan as proposed in the Application for Revised SMP 30, subject to the conditions of approval specified in the Resolution. Such Alameda County Planning Department Resolution No. 12-14, together with the documents, drawings and conditions referenced therein, comprises “Revised SMP 30.” A copy of Alameda County Planning Commission Resolution No. 12-14 is attached hereto as Exhibit B, Tenant’s Application for Revised SMP 30 is attached hereto as Exhibit C, the Conditions of Approval referenced in Resolution No. 12-14 (the “Conditions of Approval”) are attached hereto as Exhibit D, a copy of the Mitigation Monitoring and Reporting Program (MMRP) adopted by Resolution No. 12-14 (the “MMRP”) is attached hereto as Exhibit E, and a copy of the Conservation Plan for Sunol Quarry SMP-30 Site referenced in the Conditions of
Approval (the “Conservation Plan”) is attached hereto as Exhibit F. Revised SMP 30 allows mining on the Expansion Premises, within the revised excavation area boundary indicated in the Application, allows the operation of asphalt and ready mix plants, approves the proposed extended operating hours, provides for mining to a minimum depth of 225 feet and up to approximately 400 feet, and approves a revised reclamation plan. Revised SMP 30 terminates July 16, 2042 or upon completion of reclamation, whichever comes first.

F. The Lease anticipates that in connection with City’s approval of Revised SMP 30: (i) SFPUC shall have the right to require modifications to the terms of the Lease in order to adopt mitigation measures recommended in the Final EIR that are proposed to reduce or avoid significant environmental impacts ("Mitigation Amendments," as more particularly described in Section 3.3(f)(i) of the Lease); (ii) Tenant and SFPUC shall agree on an amendment to the Lease, referred to as the “Required Lease Modification”, as more particularly described in Section 3.3(f)(ii) of the Lease, which shall (A) establish the amount of, payment schedule for, and other terms and conditions regarding the Creek Restoration Contribution, as described in Section 33.3 of the Lease, and (B) establish a schedule for the performance of each of the Minimum Required Improvements; and (iii) Tenant and SFPUC shall agree on an amendment to the Lease, referred to as the “Processing Amendment” (as more particularly described in Section 3.7 of the Lease) to incorporate into the Lease any terms and conditions relevant to any asphalt or ready mix plant plants included in Revised SMP 30.

G. The Revised SMP 30 Conditions of Approval provide that execution of a revised lease for Revised SMP 30 by and between Tenant and City, and approval of the revised lease by the San Francisco Public Utilities Commission and the San Francisco Board of Supervisors, are conditions to the effectiveness of the Revised SMP 30 Conditions of Approval. This First Amendment shall serve as the revised lease required by the Conditions of Approval, as well as the Required Lease Modification, Mitigation Amendment and Processing Amendment contemplated by the Lease in connection with Revised SMP 30.

H. The Lease further provides that if SMP 30 is amended and the parties reach agreement on the requisite Lease amendments for Revised SMP 30, then, among other things, (i) Tenant will not commence any active quarrying activities on the Apperson Site (as defined in Section 1.9 of the Lease) until the later of January 1, 2030, or the date on which Tenant completes mining of the Premises in accordance with the provisions of Revised SMP 30 (subject to such additional terms and conditions as are specified in Section 4.1 of the Lease), and (ii) Tenant will perform the required studies to seek the modifications to SMP 17 (as defined in Recital G and Section 1.111 of the Lease), as more particularly described in Section 3.4 of the Lease). Such application for modifications to SMP 17 would be processed with a companion application for further modification of Revised SMP 30, as described in Section 3.5(a) of the Lease, to provide for the processing of materials from the Apperson Site, and a further modification of the Lease as well as the grant of one or more easements, licenses or permits on SFPUC property for the installation and operation of the conveyor belt and associated access roads for the Apperson Site materials. As set forth in greater detail in Section 3.3(e) of the Lease, the City retains absolute discretion prior to any approval action with respect to the proposed modification of SMP 17, to (i) consult with Alameda County throughout the environmental review process, (ii) comment on the adequacy of any Alameda County draft CEQA document, (iii) comment on the adequacy of response to written comments and public hearing testimony,
(iv) propose additional or different mitigation measures, (v) challenge Alameda County’s decision regarding the adequacy of its environmental review and approval of the project, (vi) require further environmental review, if necessary to comply with the provisions of CEQA, (vii) determine not to consent to the proposed modification of SMP 17 or revisions to the reclamation plan, as applicable, and associated proposed modifications to the Lease, if the CEQA document finds that the project will cause significant environmental impacts that cannot be mitigated to a less than significant level, including but not limited to where the SFPUC determines not to perform or permit the performance of certain proposed mitigation measures, and (viii) consent to the proposed modification of SMP 17 or the revised reclamation plan, as applicable, and related modifications to the Lease (if any), despite findings in any CEQA document of significant and unavoidable environmental impacts upon making the findings required by CEQA Guidelines Sections 15091 and 15093, including a statement of overriding considerations, based on substantial evidence in the record. This First Amendment does not amend the rights and obligations of the Parties set forth in the Lease with respect to the proposed future Revised SMP 17, Further Revised SMP 30, or corresponding future Conveyor and Access Agreements (as such terms are set forth in the Lease), or Lease amendments.

I. Section 2.3 of the Lease describes City’s intention to temporarily use part or all of the Expansion Premises as a staging area for SFPUC’s contractors in connection with certain proposed water system improvement projects in Sunol Valley and the vicinity, and, among other matters, provides that City may elect to deliver the Expansion Premises to Tenant in multiple increments, with an initial delivery of the Expansion Premises other than the Reserved Expansion Premises (as defined in Section 2.3 of the Lease). Section 2.3 of the Lease further provides that if SFPUC requires portions of the Reserved Expansion Premises after December 31, 2013, the General Manager of SFPUC (the “General Manager”) and Tenant shall negotiate in good faith to establish an allocation of the Reserved Expansion Premises between Tenant and SFPUC, taking into consideration certain factors set forth in such Section 2.3. SFPUC has informed Tenant that SFPUC will require a portion of the Reserved Expansion Premises after December 31, 2013. The Parties have commenced negotiations regarding the allocation of Reserved Expansion Premises between Tenant and SFPUC, and as a result desire to amend certain provisions of Section 2.3 of the Lease regarding City’s reservation of a portion of the Reserved Expansion Premises for a staging area for SFPUC’s contractors.

J. City and Tenant presently desire to amend the Lease to (i) confirm that the Parties consent to the terms and conditions of Revised SMP 30, (ii) provide that Tenant will comply with the terms of Revised SMP 30, including the MMRP, and confirm that City will not impose additional mitigation measures on Tenant’s operations under the Lease in connection with City’s approval of Revised SMP 30 beyond those imposed by Alameda County in Revised SMP 30, (iii) amend certain terms and conditions of Section 2.3 of the Lease regarding the Reserved Expansion Premises, (iv) confirm the extension of the Lease term through the date that is the expiration date of Revised SMP 30, (v) establish a schedule for the performance of the Minimum Required Improvements, and (vi) modify the Lease in certain other respects, all on the terms and conditions set forth below.
AGREEMENT

NOW, THEREFORE, Landlord and Tenant hereby agree as follows:

1. **Defined Terms.**

   a. **Definitions Used in First Amendment.** Unless otherwise specified, each capitalized term contained in this First Amendment shall have the same meaning as set forth in the Lease.

   b. **Definitions Used in Lease.** From and after the Effective Date of this First Amendment (as defined in Paragraph 13 below), (i) the term "Application for Revised SMP 30," as used in the Lease, shall refer to the Application for Revised SMP 30 submitted to Alameda County as described in Recital C above, (ii) the term "Revised SMP 30," as used in the Lease, shall have the meaning given in Recital E above, and (iii) the term “South Basin, as used in the Lease, shall have the meaning set forth in Recital C above.

2. **Consent to Revised SMP 30.** Promptly following the Effective Date of this First Amendment City shall provide a letter to Alameda County confirming City’s approval of Revised SMP 30. As provided in Section 3.3(c) of the Lease, Revised SMP 30 shall not become effective until the "Revised SMP 30 Effective Date," which is thirty (30) days after the date City, as owner of the Premises which are the subject of Revised SMP 30, confirms in writing City's consent to and approval of the final terms of Revised SMP 30, and City and Tenant's execution of this First Amendment. Such letter shall describe the provisions of Section 14 of this First Amendment. Notwithstanding City’s consent to Revised SMP 30, to the extent a use or activity contemplated by Revised SMP 30 is limited or conditioned by the terms and conditions of the Lease (such as the limitation on the stockpiling of RAP and recycled concrete material set forth in Section 11.11 of the Lease, as set forth in Paragraph 6 of this First Amendment), the limits and conditions set forth in the Lease or this First Amendment shall control.

3. **Compliance with Revised SMP 30 and MMRP; Mitigation Amendment.** From and after the Revised SMP 30 Effective Date, Tenant shall comply with the terms and conditions of Revised SMP 30, including, without limitation the MMRP. Tenant’s failure to comply with the MMRP shall be an Event of Default under the Lease. City confirms that this First Amendment shall serve as the Mitigation Amendment (as contemplated in Section 3.3(f)(i) of the Lease) required in connection with the approval of Revised SMP 30. Wherever Revised SMP 30 requires Tenant to submit plans or schedules to Alameda County for review or approval, Tenant shall obtain the prior written consent of the General Manager, or his or her designee, prior to submitting such plan or schedule to Alameda County, and shall provide a copy of each submittal to City at the same time as submittal to Alameda County. As of the date hereof the General Manager designates SFPUC’s Director of Real Estate as his representative for the purposes of this Paragraph 3, provided that such designation may be changed from time to time by the General Manager, and in such event the General Manager or the out-going designee shall provide written notice of such change to Tenant.

4. **Expansion Premises; Reserved Expansion Premises.** Effective as of the Effective Date of this First Amendment, (i) Exhibit A-4 to the Lease shall be deleted and the
attached Exhibit J shall be substituted therefor as “Exhibit A-4 Revised”, and (ii) Section 2.3 of the Lease shall be deleted and the following provision shall be substituted therefor:

“2.3. **Expansion Premises; Interim Use of Expansion Premises; Reserved Expansion Premises.**

(a) **Interim Use of Expansion Premises.** "Expansion Premises" refers to approximately 58 acres of real property located in the County of Alameda, State of California, to the east of the Initial Premises, described in Exhibit A-2 attached hereto and depicted on Exhibit A-3 attached hereto. Following the Effective Date of this Lease, SFPUC shall have the right to use the Expansion Premises for a construction staging area for SFPUC’s contractors in connection with certain proposed water system improvement projects in Sunol Valley and the vicinity. The Expansion Premises shall be delivered to Tenant in three (3) separate increments, as described below in Section 2.3(b). Until the date a particular increment of the Expansion Premises is delivered to Tenant, SFPUC may continue to use such increment for construction staging for SFPUC’s contractors in a manner that does not adversely impact Tenant's operations under SMP 30 and is not inconsistent with the ultimate use of the Expansion Premises under Revised SMP 30 (as defined in Section 3.3(a) below), as reasonably determined by SFPUC, including, without limitation, for stockpiling materials.

(b) **Delivery of Initial Increment of Expansion Premises; Reserved Expansion Premises.** City shall deliver the portion of the Expansion Premises shown outlined and labeled “Initial Delivered Expansion Premises” on the attached Exhibit A-4 Revised (the “Initial Delivered Expansion Premises”) to Tenant on the Revised SMP 30 Effective Date, free of equipment and personal property and of any third-party tenancies, and the Initial Delivered Expansion Premises shall be added to the Premises under the Lease on the Revised SMP 30 Effective Date. City shall reserve the balance of the Expansion Premises (the “Reserved Expansion Premises”) for SFPUC’s temporary use for construction staging in accordance with the terms hereof.

(c) **Short-Term Reserved Expansion Premises.** City shall use diligent efforts to deliver to Tenant by July 1, 2014, the portion of the Reserved Expansion Premises shown outlined and labeled “Short-Term Reserved Expansion Premises” on the attached Exhibit A-4 Revised (the “Short-Term Reserved Expansion Premises”), free of equipment and personal property and of any third-party tenancies; provided that not later than June 15, 2014, Tenant shall surrender to the City the K-Rail Storage Area (as defined in the First Amendment to this Lease) as a Replacement Staging Area, as defined in Section 2.3(e) below. The Short-Term Reserved Expansion Premises shall be added to the Premises on the date on which City delivers the Short-Term Reserved Expansion Premises to Tenant free of equipment and personal property and of any third party tenancies, which the Parties anticipate will be July 1, 2014.
(d) **Longer-Term Reserved Expansion Premises.** City shall use diligent efforts to deliver to Tenant by August 1, 2015, the portion of the Reserved Expansion Premises shown outlined and labeled “Longer-Term Reserved Expansion Premises” on the attached Exhibit A-4 Revised (the “Longer-Term Reserved Expansion Premises”), free of equipment and personal property and of any third-party tenancies. At Tenant’s request, Tenant and the General Manager shall negotiate in good faith to determine whether Tenant and the General Manager can establish an earlier delivery date for part or all of the Longer-Term Reserved Expansion Premises, subject to the following considerations:

(i) SFPUC shall seek to minimize use by SFPUC and its contractors of those portions of the Longer-Term Reserved Expansion Premises for which Tenant desires early delivery as much as reasonably possible;

(ii) SFPUC shall seek to deliver to Tenant as much of the Longer-Term Reserved Expansion Premises as reasonably practicable not later than December 31, 2014; provided that:

(a) the SFPUC may at its sole option condition any agreement to deliver part or all of the Longer-Term Reserved Expansion Premises early on Tenant’s agreement to pay all or a portion of the total cost of all approved change orders issued to facilitate such full or partial earlier delivery, and

(b) with the consent of and subject to any terms and conditions imposed by SFPUC’s contractor(s) using the Longer-Term Reserved Expansion Premises, Tenant may arrange for or perform some or all of the required relocation of equipment, material and office facilities from the Longer-Term Reserved Expansion Premises, provided that the indemnity provisions of this Lease shall apply with respect to Tenant’s activities on the Longer-Term Reserved Expansion Premises during the entry on the Longer-Term Reserved Expansion Premises by Tenant or its agents or contractors;

(iii) SFPUC shall not be required to delay SFPUC work or incur any liability to its contractors related to any early delivery of the Longer-Term Reserved Expansion Premises; and

(iv) if Tenant identifies one or more potential Replacement Staging Areas within the Premises suitable for the continued staging requirements of SFPUC and its contractors, the General Manager shall evaluate such potential Replacement Staging Areas in good faith, subject to the provisions of Section 2.3(e) below. If Tenant and the General Manager reach an agreement providing for City’s use of one or more Replacement Staging Areas for part but not all of the Longer-Term Reserved Expansion Premises, Tenant and the General Manager shall memorialize the reconfiguration of Longer-Term Reserved Expansion Premises. The Longer-Term Reserved Expansion Premises (or applicable portion thereof) shall be added to the Premises on the date on which City delivers the Longer-Term Reserved Expansion Premises (or applicable portion thereof) to Tenant free of equipment and personal property and of any third-party tenancies.

(e) **Replacement Staging Area.** A replacement staging area shall be considered “suitable” hereunder only if it may be used by SFPUC and its contractors without additional required environmental review under CEQA and without delaying or materially increasing the cost of SFPUC’s work and is otherwise suitable for the required staging purpose, as determined by the General Manager acting reasonably and in good faith. If Tenant and the
General Manager agree to a substitution of part of the Premises for part or all of the Short-Term Reserved Expansion Premises or Longer-Term Reserved Expansion Premises, then Tenant and the General Manager shall memorialize such agreement in writing. Tenant shall surrender to City on the date specified in such agreement the agreed-upon portion of the Premises (the “Replacement Staging Area”), free of overburden or other obstacles to the staging activities to take place on such area, and the Replacement Staging Area shall not be considered to be part the Premises under the Lease for the period commencing on such surrender and continuing until City redelivers such Replacement Staging Area to Tenant (the “Substitution Period”). Tenant shall provide SFPUC and its contractors with reasonable access to the Replacement Staging Area(s) throughout the Substitution Period(s). City shall use diligent efforts to redeliver all of the Replacement Staging Area to Tenant by August 1, 2015.

(f) No Liability for Delay in Delivery. In no event shall City be liable to Tenant for delays in delivery to Tenant of the Initial Delivered Expansion Premises, the Short-Term Reserved Expansion Premises, the Longer-Term Expansion Premises, or any Replacement Staging Area.”

5. **Extension of Term.** As provided by Section 8.4 of the Lease, effective as of the Revised SMP 30 Effective Date, the Extension Term Expiration Date shall be the expiration date of Revised SMP 30, which is the earlier of July 16, 2042 or completion of reclamation.

6. **Asphalt Plant and Ready Mix Plant Operations.** City confirms that this First Amendment shall serve as the Processing Amendment (as contemplated in Section 3.3(f)(ii) and Section 3.7 of the Lease). Effective as of the Effective Date of this First Amendment, (i) the following provision is added to the Lease as Section 11.11, and (ii) Exhibit G-1 and Exhibit G-2 attached to this First Amendment shall be added to the Lease as, respectively, Exhibit F-1 and Exhibit F-2:

“11.11 Asphalt Plant and Ready Mix Plant Operations.

(a) Generally: Location of Plants and Stockpiles. Tenant may, at Tenant’s election, operate an asphalt plant and ready mix plant on the Premises, subject to the terms and conditions of this Section 11.11. Tenant shall construct, operate and maintain the asphalt plant and ready mix plant in compliance with the requirements of Revised SMP 30 and the terms and conditions of this Lease, including, without limitation, this Section 11.11 and Article 17 below. Without limiting the foregoing, the asphalt and ready mix plant facilities, storage areas, and stockpiles, including the recycled asphalt (“RAP”) stockpile, shall be located as depicted on the attached Exhibit F-1, until such time as a bench is constructed in the main pit for the long-term placement of the plants, at which time such facilities and materials shall be relocated to the general locations depicted on the attached Exhibit F-2. The Parties acknowledge that following such relocation, that portion of the Premises initially used for the operation and use of the asphalt and ready-mix plants and associated stockpile and storage areas will be available for aggregate mining, and accordingly the installation, operation and use of such area for asphalt and ready mix plants will not result in a permanent reduction in the total amount of the aggregate to be mined from the
Premises. The Parties further acknowledge that the location and footprint of plants, equipment, stockpiles, and storage areas during the Extended Processing Plant Term (as defined in Section 8.5 of this Lease), may be revised in connection with the environmental review process for Further Revised SMP 30 or for the Conveyor and Access Agreements, as provided in Section 3.5(g) and Section 3.6 of this Lease.

(b) Use of Recycled Materials; Limitation on Size of Recycled Materials Stockpiles. Tenant may import onto the Premises limited amounts of RAP and recycled concrete material, provided that at no time shall the combined size of the RAP and recycled concrete materials stockpile(s) on the Premises exceed 125,000 tons or exceed a footprint of 4 acres, and provided further that not more than 250,000 tons of RAP and recycled concrete materials may be imported onto the Premises during any calendar year without the express written consent of the General Manager or of his or her designee, which consent may be conditioned on Tenant providing to the General Manager sufficient evidence that Tenant’s importation of such excess recycled materials will not result in a material decrease in the Product that Tenant would otherwise sell or use during the applicable period. RAP and recycled concrete material brought onto the Premises shall be used solely for the onsite production of Finished Products such as asphalt and concrete ready mix. The importation or stockpiling of RAP or recycled concrete material for use in any offsite production or for resale without incorporation into Finished Products is prohibited. As of the date hereof the General Manager designates SFPUC’s Director of Real Estate as his representative for the purposes of this Section 11.11, provided that such designation may be changed from time to time by the General Manager, and in such event the General Manager or the out-going designee shall provide written notice of such change to Tenant.

(c) Reporting Requirements; Audits. Tenant shall maintain accurate inventory records of the tonnage of RAP and recycled concrete material imported onto the Premises and the tonnage of such materials used in Finished Products, and the monthly and annual statements described in Section 9.4(a) of this Lease shall show the weights of RAP and recycled concrete material brought onto the Premises during the period covered by such statement, as well as the weights of RAP and recycled concrete material included in a Finished Product during such period. The weight of RAP and recycled concrete material included in a Finished Product shall be calculated based on the percentage (by weight) of RAP and/or recycled concrete material included in the Finished Product. Tenant’s inventory records shall be subject to the inspection and audit provisions of Section 9.4(b) of this Lease.

(d) Commercial Pollution Legal Liability, Environmental Remediation Liability and Other Environmental Insurance. Tenant shall maintain the Commercial Pollution Legal Liability, Environmental Remediation Liability and other Environmental Insurance described in Section 24.1(b)(iv) of this Lease.”
7. **K-Rail Storage Area Under Power Lines.** Tenant may use approximately 250,000 square feet of the Premises in the area under the power lines generally described on the attached Exhibit H (the “K-Rail Storage Area”) exclusively for the storage of K-rails. Tenant’s right to use the K-Rail Storage Area shall be subject to the following conditions:

(i) Tenant shall not store any materials or equipment in the K-Rail Storage Area other than K-rails to be used by Tenant or its affiliates in connection with projects that will use asphalt or ready-mix manufactured on the Premises. Without limiting the foregoing, Tenant shall not store any materials or equipment in the K-Rail Storage Area for unrelated third parties.

(ii) Tenant’s use of the K-Rail Storage Area shall be subject to all terms and conditions of this Lease;

(iii) No additional Rent or fee shall be charged under this Lease for the use of the K-Rail Storage Area for K-rail storage;

(iv) City, upon reasonable advance written notice to Tenant, may require Tenant to temporarily vacate all or a portion of the K-Rail Storage Area for SFPUC to perform or cause to be performed installation, maintenance and repair of City’s power lines in and adjacent to the K-Rail Storage Area, or for purposes related to the relocation of an existing subsurface gas line under Alameda Creek by the Pacific Gas and Electric Company, and Tenant shall promptly vacate the K-Rail Storage Area upon receipt of such notice;

(v) City and Tenant may agree pursuant to the provisions of Section 2.3(c) of the Lease to substitute part or all of the K-Rail Storage Area for part or all of the Short-Term Reserved Expansion Premises or the Longer-Term Reserved Expansion Premises, in which case Tenant shall surrender to City the applicable portion of K-Rail Storage Area for the period agreed by the Parties;

(vi) Tenant shall comply with all applicable standards of the California Public Utilities Commission governing the height of structures and storage of materials under or adjacent to power lines and City, upon reasonable advance written notice to Tenant, may require Tenant to modify the manner in which K-rails are stored in the K-Rail Storage Area to the extent SFPUC reasonably determines such modifications are required to comply with such standards;

(vii) Tenant shall cooperate with SFPUC’s repair and maintenance of City’s power lines in and adjacent to the K-Rail Storage Area; and

(vii) In addition to all other rights and remedies of City under this Lease, City, by written notice to Tenant, shall have the right to terminate Tenant’s right to use all or a portion of the K-Rail Storage Area for storage in the event that (A) Tenant uses any portion of the Premises other than the K-Rail Storage Area for the storage of K-rails pursuant to this Paragraph 7, or (B) Tenant’s use of the K-Rail Storage Area for the storage of K-rails interferes with SFPUC’s ability to perform or cause to be performed installation, maintenance and repair of City’s power lines in and adjacent to the K-Rail Storage Area, and Tenant shall thereupon remove the K-Rails from the Premises within sixty (60) days of such notice.

8. **Creek Restoration Study Contribution.** City acknowledges that Tenant made the Creek Restoration Study Contribution as provided in Section 33.1 of the Lease. The Creek Restoration Study (as defined in Section 33.1 of the Lease) is not yet complete and has not yet resulted in any recommendations for future action.

a. Creek Restoration Contribution. Section 3.3(f) of the Lease provides that it shall be a condition to SFPUC’s approval of Revised SMP 30 that Tenant and SFPUC shall have agreed on an amendment to the Lease establishing the amount of, payment schedule for, and other terms and conditions regarding Tenant’s required Creek Restoration Contribution, as described in Section 33.3 of the Lease. Although the Creek Restoration Study is not yet complete and has not yet resulted in any recommendations or proposed designs for future creek restoration projects to be undertaken by SFPUC and others (the “Restoration Projects”), SFPUC has proposed, and Tenant has agreed, that in satisfaction of Tenant’s Creek Restoration Contribution, Tenant shall contribute the sum of $300,000 in cash toward the cost of any such future Restoration Projects in accordance with the provisions of this Paragraph 9. The SFPUC anticipates that this contribution would fund a portion of one or more such future Restoration Projects. Following completion of the Creek Restoration Study and any required environmental review of one or more of the Restoration Projects, City shall provide Tenant with written notice (the “Notice of Required Contribution”) directing Tenant to pay the Restoration Project Contribution to SFPUC or to such other party as City shall identify in the Notice of Required Contribution, and Tenant shall make such payment within sixty (60) days of the date of such notice, except as otherwise provided in this Paragraph 9.

b. Proposed In-Kind Work. If Tenant desires to provide material or construction services for one or more of the Restoration Projects in lieu of making part or all of the Restoration Project Contribution (“In-Kind Work”), Tenant shall notify SFPUC of such desire, and the following conditions (the "Contribution Credit Conditions") shall govern the proposed In-Kind Work, and any credit against Tenant’s Creek Restoration Contribution shall be applicable only in the event that the Contribution Credit Conditions are satisfied and only to the extent provided hereunder:

(i) Tenant shall provide City with a written description of Tenant’s proposed In-Kind Work, and Tenant and SFPUC shall negotiate in good faith regarding the proposed In-Kind Work, including the estimated cost savings to SFPUC resulting from Tenant supplying the materials or performing the work (the “In-Kind Work Value”), as well as the schedule for delivery of the materials and the work, provided that if Tenant and SFPUC do not reach agreement regarding the In-Kind Work, Tenant shall not be required to make any In-Kind Work and City shall not be required to credit any proposed In-Kind Work against the cash Creek Restoration Contribution required hereunder.

(ii) If the General Manager and Tenant have not reached an agreement regarding the proposed In-Kind Work and memorialized such agreement in writing (the “In-Kind Work Agreement”) by the date which is sixty (60) days after the date of the Notice of Required Contribution, then at any time thereafter until an In-Kind Work Agreement is reached and memorialized in writing by the General Manager and Tenant, SFPUC may at its sole election provide Tenant with written notice directing Tenant to pay the Creek Restoration Contribution, and Tenant shall pay the Creek Restoration Contribution within thirty (30) days of the date of such notice.

(iii) The In-Kind Work Agreement (if any) or one or more agreements executed in connection therewith, as applicable, shall specify the insurance requirements and the
indemnity provisions governing the performance of the In-Kind Work, and shall include a schedule setting forth the parties’ good faith estimate of the In-Kind Work Value attributable to each component of In-Kind Work described therein.

(iv) If the General Manager and Tenant reach agreement on an In-Kind Work Agreement, Tenant shall perform the In-Kind Work in accordance with the In-Kind Work Agreement in a manner and on a schedule that avoids material interference with or delay to construction and completion of the balance of the work on the Restoration Projects, and Tenant shall meet regularly with the designated SFPUC staff members to report on and coordinate regarding the performance of the In-Kind Work.

(v) Tenant shall perform the In-Kind Work in compliance with plans and specifications approved by SFPUC and in compliance with applicable Law (as defined in Section 1.69 of the Lease), including, but not limited to, laws relating to prevailing wage requirements on public works projects. No material change from the plans and specifications approved by SFPUC may be made without SFPUC’s prior written consent. SFPUC shall have the right to inspect the course of construction of the In-Kind Work at all times.

(vi) Upon completion of the In-Kind Work to the satisfaction of the General Manager, City shall provide Tenant with a credit against the Creek Restoration Contribution payable by Tenant in an amount equal to the agreed In-Kind Work Value. Except as otherwise provided in the applicable In-Kind Work Agreement, if either Party reasonably and in good faith determines that the actual In-Kind Work Value for any element of the In-Kind Work is materially higher or lower than the sum set forth therefor in the In-Kind Work Agreement, such Party shall provide the other Party with written notice of such variation, together with reasonable supporting documentation, and the Parties shall make good faith efforts to agree upon and confirm in writing a revision to the In-Kind Work Agreement that reflects the true In-Kind Value attributable to such In-Kind Work.

(vii) City shall have no obligation to pay Tenant for any materials or services provided under this Paragraph 9 or to provide any credit for such material or services except as expressly provided herein. In no event shall Tenant receive any credit against the Rent payable under the Lease on account of materials supplied or work performed by Tenant for any Restoration Project.

(viii) If Tenant fails to perform any In-Kind Work to be performed by Tenant pursuant to an In-Kind Work Agreement to the satisfaction of the General Manager by the date specified in the In-Kind Work Agreement, and thereafter does not satisfactorily complete such work within thirty (30) days after written notice from City of such failure, then Tenant shall receive no credit against Tenant’s Creek Restoration Contribution on account of the In-Kind Work Value attributable to the In-Kind Work which was not satisfactorily performed, and any credit to be given for In-Kind Work satisfactorily performed shall be reduced by an amount equal to any increase in cost to SFPUC of performing the Restoration Project attributable to Tenant’s failure to satisfactorily complete such element of the In-Kind Work, such as increased costs due to delays, rescheduling, remobilization of workers or redesign of the Restoration Project.
10. **Amendment of Certain Lease Provisions.**

a. **Slurry Wall Location.** Section 12.1 of the Lease requires Tenant to perform certain Minimum Required Improvements (as listed in Exhibit B to the Lease and as restated in Exhibit A to this First Amendment for ease of reference), including the installation of a slurry cutoff wall to reduce the inflow of water from Alameda Creek into the active mining pit on the Premises in the general location shown on Attachment D to the request for proposals that was issued by the SFPUC on December 13, 2005, to select a firm to enter into exclusive negotiations with the SFPUC for a mining lease of the Premises and Expansion Premises (the "RFP"). The Lease further provides that the cutoff wall along Alameda Creek will be approximately 7,800 feet long at an estimated depth of 35 to 45 feet, and that depending on the results of studies to be conducted as part of the Application for Revised SMP 30, a second 2,300-foot long slurry cutoff wall along the left bank of San Antonio Creek may also be required at an estimated depth of 40 feet (see Attachment D to the RFP). Notwithstanding the provisions of the Lease to the contrary, the following provisions shall govern the construction of the slurry cutoff wall. SFPUC will conduct a study to determine the optimal location of the slurry cutoff wall or walls (which may vary from the location identified in the RFP and the Lease), and upon completion of such study SFPUC will provide Tenant with SFPUC’s findings. At Tenant’s request, SFPUC will confer with Tenant regarding specific constructability challenges posed by proposed slurry wall locations. Following completion of the study, SFPUC shall provide Tenant with written notice of the location of the slurry cutoff wall or walls, as reasonably selected and determined by SFPUC, provided the total length of the slurry cutoff wall(s) will not exceed the combined length of the two slurry cutoff walls described in Item 1 of Exhibit B to the Lease, and the depth shall not exceed 35-45 feet, as described in Item 1 of Exhibit B to the Lease. Tenant shall use best efforts to obtain all permits required for the slurry wall construction at the earliest possible date, and shall install the slurry cutoff wall or walls at the location(s) identified by SFPUC within eighteen (18) months after receipt of such permits, subject to delays resulting from Force Majeure (as defined in Section 1.50 of the Lease).

b. **Recycled Water; Non-Potable Water; Water Supply.** Effective as of the Effective Date of this First Amendment, the provisions of Section 11.7(h) and Section 15.2 of the Lease are deleted and the following provisions are substituted therefor:

“11.7(h) Recycled Water and Naturally Occurring Water Supply. Tenant shall, whenever possible and to the extent available, recycle water that it uses in its aggregate processing operations or use such water for landscaping or other nonpotable uses on the Premises. Notwithstanding anything to the contrary herein, City shall have the right to take any surplus water generated by Tenant’s dewatering activities and to export and use such water for potable or nonpotable purposes, or to store such surplus water on the Premises in areas where mining has been completed, but only with the consent of Tenant, which consent shall not be unreasonably withheld, conditioned or delayed. To the extent that onsite non-potable water supplies obtained through Tenant's dewatering operations are insufficient for aggregate processing operations, the operation of asphalt and ready mix plants, or landscaping requirements, and recycled water becomes available for such purposes, Tenant must use such recycled water supplies to the extent of any deficiency in naturally occurring
water supplies on the Premises, provided that the quality of recycled water is suitable for use in such operations. If, at any time during the Term, there are inadequate water supplies on the Premises from Tenant’s dewatering activities for the conduct of Tenant’s operations on the Premises, the provisions of Section 15.2 of this Lease shall apply."

“15.2 Insufficient Naturally Occurring Water Supply; SFPUC Water Supply. As of the date this Lease is executed, non-potable water supplies exist on the Premises for aggregate processing operations. If, at any time during the Term, there are inadequate water supplies on the Premises from Tenant's dewatering activities for the conduct of Tenant’s aggregate processing operations on the Premises, Tenant shall provide SFPUC with written notice of Tenant’s water requirements and shall request such service from SFPUC. Tenant shall purchase such water from City at City's standard rates for customers such as Tenant and uses such as Tenant’s. Prior to any request for SFPUC to supply non-potable water, Tenant shall provide a volumetric estimate of its net consumptive use of non-potable water required to meet Tenant's aggregate processing needs, including the volume of on-site water supplies that are available, and Tenant shall demonstrate to SFPUC’s reasonable satisfaction that Tenant uses commercially reasonable industry best practices to recycle and recirculate water, consistent with Tenant's duty to use and recycle available on-site water supplies under Section 11.7(h) of this Lease. SFPUC shall not be required to provide storage for any water supplied to Tenant, or to meet Tenant's peak demands, and Tenant shall be solely responsible for funding all capital costs incurred by SFPUC in delivering additional water supplies to the Premises and for funding any water transfer commodity and transmission costs SFPUC must pay to third party water suppliers for delivery of additional water. The supply of water for Tenant's aggregate processing operations shall be (1) in SFPUC's reasonable discretion, (2) limited to the amount that can be reasonably used by Tenant, and (3) paid for in accordance with SFPUC Rules and Regulations for Water Service, as may be amended from time to time. All supplies of water provided by SFPUC to Tenant shall be subject to reduction in the event of shortage or emergency in accordance with any declaration of water shortage emergency issued by SFPUC under California Water Code Section 350 et seq. Any project by SFPUC to provide water to the Premises will deliver such water to a meter constructed installed at the boundary of Premises, the location of which such shall be in SFPUC's sole discretion.”

c. Water Disposal for SFPUC Requirements. Effective as of the Effective Date of this First Amendment the provisions of Section 32.2 of the Lease are deleted and the following provision is substituted therefor:

“32.2 Water Disposal for SFPUC Requirements. The SFPUC has installed a water discharge pipe that feeds into the main pit at the southern end of the Initial Premises for the occasional discharge of water from SFPUC's water system. The installation of the water discharge pipe included erosion control measures to prevent erosion of the pit wall beneath the bottom elevation of the discharge
pipe. Tenant shall extend the existing erosion control measures, if necessary from a geotechnical standpoint under Revised SMP 30 condition 34 (Excavation and Slope Design), as excavation for mining extends below the bottom elevation of the existing erosion control measures following the effective date of this Lease. Further, as Tenant backfills the south pit as contemplated in the mining plan included in Revised SMP 30 Tenant shall extend the discharge pipe and install erosion control measures or otherwise make improvements required to accommodate the discharge volume contemplated hereunder, provided the design of such improvements shall be subject to the review and reasonable approval of the Assistant General Manager of SFPUC's Water Enterprise Department, or his or her designee. City and Tenant shall cooperate in good faith and shall use diligent good faith efforts in designing any extension or modification of the discharge pipe system. SFPUC shall coordinate with Tenant on the operation of the discharge pipe, with the objectives of minimizing erosion of the quarry pit due to such discharges and obtaining reasonable assessments of the volume of water discharged from time to time into the quarry pit. Such discharges may occur (1) as part of scheduled maintenance, system upgrades or operational activities; or (2) as part of water treatment incidents that may require discharge of water that cannot be served to customers; or (3) following an earthquake or other emergency constituting a Force Majeure event. Tenant has been provided with an estimate of the volumes of water that SFPUC presently anticipates may be discharged into the main pit on the Initial Premises as a result of SFPUC water system operations that do not constitute Force Majeure events, and Tenant agrees to manage such water additions as part of its aggregate washing and water recycling operations on the Premises to the extent feasible, including the ultimate discharge of such water to Alameda and San Antonio Creeks when necessary and as allowed under the Approved Plans and Permits. SFPUC shall reimburse Tenant for Tenant’s reasonable equipment, labor, utilities and other costs to pump such water additions. Tenant shall provide SFPUC with monthly invoices confirming any such costs, certified as true and correct by Tenant’s Chief Financial Officer, and City shall have the right to inspect, examine, copy and audit all of Tenant's books of account and pertinent data with respect to such costs. Tenant shall cooperate fully with City and City's Agents in making the examination. If any audit shows that Tenant overcharged for such costs, then Tenant shall immediately upon notice reimburse such overpayment to City, together with interest thereon at the default interest rate, set forth in Section 9.7 of this Lease. SFPUC shall provide as much advance notice as possible to Tenant for discharges of water to the main pit exceeding 1.0 million gallons in a 24 hour period.”

d. Discharges to Alameda Creek from South Basin. From and after the Effective Date of this First Amendment the following provision shall be added to the Lease as Section 33.3:

“33.3 South Basin Discharges to Alameda Creek. Tenant shall use best efforts to coordinate with SFPUC staff discharges from the South Basin into Alameda
Creek from discharge point no. 2 authorized in permit no. R2-2008-0011 in an effort to minimize the risk of impacting biological resources, by appropriately ramping up and ramping down the discharged flow to roughly mimic the natural tapering of flow in Alameda Creek. Tenant shall achieve such ramping up and ramping down by employing variable rate pumps to discharge the water from the South Basin. Tenant shall consult with SFPUC’s Director of Real Estate, or his or her designee identified by written notice to Tenant, to establish general parameters for discharging water, specifically developing a ramp up and ramp down schedule, however ongoing coordination between the SFPUC and Tenant will be conducted in a manner that allows for each case to be worked out at the time of the discharge. The following provides an example of a ramp up schedule: For water discharges of approximately 10 cfs (4500 gpm) or less, there would be no need to ramp up to maximum flow at the beginning of a discharge period, but if a discharge will exceed 10 cfs (4500 gpm), the flow rate increases should be limited to a maximum of 10 cfs (4500 gpm) per 24 hour period. The Parties anticipate that ramping down would be required at the end of any discharge period. The following provides an example of a ramp down schedule: Reductions will be made at intervals of 24 hours or greater, with flows to be reduced from maximum flow at intervals of 10, 5, 2, 1, and 0 cfs (4500, 2250, 1000 and 0 gpm) (such that the flow would be at 10 cfs for 24 hours and then drop to 5 cfs for the next 24 hours and so forth). The manner of ramping down will depend on whether there is natural flow in the creek (as would be the case in the winter), in which case the ramping down would be more continuous than in the steps outlined above.”

e. **Address for Payments Under the Lease.** Effective as of the Effective Date of this First Amendment the third sentence of Section 9.1(a) of the Lease shall be deleted and the following sentence shall be substituted therefor:

“All payments of Base Rent and other sums due and owing hereunder shall be made to the San Francisco Public Utilities Commission, c/o Finance Bureau, 525 Golden Gate Avenue, Second Floor, San Francisco, California 94102 (Reference SFPUC lease number L-4074), or such other place as City may designate in writing.”

f. **Address for Notices Under the Lease.** Effective as of the Effective Date of this First Amendment the address for notices to SFPUC set forth in Section 36.1 of the Lease shall be deleted and the following address shall be substituted therefor:

“San Francisco Public Utilities Commission  
Real Estate Services  
525 Golden Gate Avenue, 10th Floor  
San Francisco, CA 94102  
Attention: Real Estate Director”

g. **Commercial Pollution Legal Liability, Environmental Remediation Liability and Other Environmental Insurance.** Effective as the Effective Date of this First Amendment,
Section 24.1(b)(iv) of the Lease shall be deleted and following provision shall be substituted therefor:

“(iv) **Commercial Pollution Legal Liability, Environmental Remediation Liability and Other Environmental Insurance.** Tenant shall maintain Pollution Legal Liability, Environmental Remediation Liability and other Environmental Insurance described herein, including coverage for bodily injury, sickness, disease, mental anguish or shock sustained by any person, including death; environmental damages; property damage including but not limited to physical injury to or destruction of tangible property including the resulting loss of use thereof, clean-up costs, and the loss of use of tangible property that has not been physically injured or destroyed; defense costs, charges and expenses incurred in the investigation, adjustment of defense claims for such compensatory damages; sudden and non-sudden pollution conditions including the discharge, dispersal, release or escape of Hazardous Materials into or upon the Premises, the atmosphere or watercourse or body of water, which results in environmental damages; transportation coverage for the hauling of any Hazardous Materials by Tenant or Tenant’s affiliates, contractors or Agents, from the Premises to the final disposal location; and first party environmental remediation that pays for the cost of cleanup and remediation of the Premises required to comply with all applicable Laws. Such insurance shall be endorsed to provide third party disposal site coverage that covers third party bodily injury, property damage and cleanup coverage for pollution conditions emanating from a disposal site or landfill used by the Tenant or Tenant’s affiliates or Agents. Tenant shall maintain limits no less than: Five Million Dollars ($5,000,000) per accident and Eight Million Dollars ($8,000,000) annual aggregate (specific to the Premises) for bodily injury and property damage.

h. **Deductibles and Self-Insured Retentions.** Effective as the Effective Date of this First Amendment, Section 24.1(c) of the Lease shall be deleted and following provision shall be substituted therefor:

“(c) **Deductibles and Self-Insured Retentions.** Any deductibles or self-insured retentions must be declared by Tenant and approved by City under accepted insurance standards. Tenant may maintain a deductible of not more than $100,000 for the Commercial General Liability coverage required under Section 21.1(b)(i) and not more than $250,000 for the worker’s compensation insurance coverage required under Section 21(b)(ii), and a deductible or retention of not more than $100,000 for the Commercial Pollution Legal Liability, Environmental Remediation Liability and other Environmental Insurance required under Section 21.1(b)(iv), provided that at the time Tenant maintains such deductibles or retention, Tenant’s net worth and financial standing remains substantially similar to Tenant’s net worth and financial standing as of the date this Lease is executed.”
11. Schedule for Performance of Minimum Required Improvements.

a. Generally. Section 3.3(f) of the Lease provides that it shall be a condition to SFPUC’s approval of Revised SMP 30 that Tenant and SFPUC shall have agreed on an amendment to the Lease establishing a schedule for the performance of each of the Minimum Required Improvements, as defined in the Lease and restated in Exhibit A to this First Amendment. City and Tenant agree that Tenant shall install the slurry wall in accordance with the provisions of Paragraph 10.a. above, and that the balance of the Minimum Required Improvements shall be performed pursuant to the following schedules.

b. Plan for Installation of Movable Sand and Aggregate Processing Facilities. City acknowledges that the mining plan included in the Application for Revised SMP 30 provides that the sand and aggregate processing facilities will be relocated to the southern end of the South Basin following completion of mining in such area in a manner that provides for mining the Premises according to the Alternative F Plan requirements in compliance with the requirements of the Lease.

c. Creek Bank Restoration Plantings. After consultation with state and federal resource agencies, Tenant shall plant native vegetation on the left and right banks of Alameda Creek and the left bank of San Antonio Creek (looking downstream) consistent with the provisions of the Creek Restoration Study and shall maintain such plantings in accordance with the terms of the resource agency permits. Except as may otherwise be approved in writing by the General Manager or his or her designee (as identified from time to time by written notice from the General Manager to Tenant), in his or her sole discretion, Tenant’s restoration plantings shall be completed within two (2) years after Tenant’s receipt of all permits required for performance of the plantings (as extended by delays resulting from Force Majeure, as defined in Section 1.50 of the Lease). Tenant shall apply for such permits within one hundred fifty (150) days after completion of the Creek Restoration Study. In addition to regulatory agency approval, Tenant’s final creek bank restoration plan will be subject to City’s approval, in its sole discretion.

d. Relocation of Water Line. Tenant shall remove the existing 36-inch water line currently located on the Expansion Premises and install a new 12-inch pipeline at a location outside of the Premises parallel to Calaveras Road in accordance with the provisions of Section 12.3 of the Lease and in accordance with the terms and conditions of that certain San Francisco Public Utilities Commission Revocable Permit (Permit #4122), dated February 15, 2013 (the “Town Waterline Permit”), prior to the expiration of the Town Waterline Permit.

e. Planting of Native Plants to Screen Quarry Operations. Tenant shall confer with SFPUC’s Director of Real Estate and such other SFPUC staff designated by the Director of Real Estate regarding the elements of the Calaveras Road landscape and planting plan described in the MMRP, including the required monitoring plan with implementation schedule (the “Calaveras Road Landscape Plan”), and shall incorporate SFPUC’s comments into the proposed Calaveras Road Landscape Plan. Tenant shall submit the proposed Calaveras Road Landscape Plan to SFPUC’s Director of Real Estate for approval or reasonable disapproval at least thirty (30) days prior to the deadline set forth in the MMRP for submittal of the plan to the Alameda County Development Director. The SFPUC Director of Real Estate shall approve or reasonably disapprove the Calaveras Road Landscape Plan, with reasons for such disapproval, within fifteen
(15) business days of receipt thereof. If the SFPUC Director of Real Estate disapproves the proposed Calaveras Road Landscape Plan, Tenant shall revise the plan and resubmit the plan to the SFPUC Director of Real Estate for approval or disapproval. Tenant shall not submit the Calaveras Road Landscape Plan to the Alameda County Development Director prior to approval by the SFPUC Director of Real Estate. Tenant shall implement the Calaveras Road Landscape Plan in accordance with the implementation schedule set forth in the approved Calaveras Road Landscape Plan and shall maintain the landscaping identified therein for the Term of this Lease. Tenant acknowledges that City may restrict, condition, or prohibit Tenant's access to areas outside the Premises which are necessary for Tenant to implement the Calaveras Road Landscape Plan. If the areas required to implement the Calaveras Road Landscape Plan are outside of the Premises, Tenant and City shall enter into a license or permit for the area in which the work will be performed, the terms and conditions of which shall be in accordance with SFPUC's usual and customary practice, provided that such terms and conditions shall be subject to the approval of Tenant and the General Manager.

f. **Nursery Relocation and Installation of Perimeter Fencing.** City and Tenant acknowledge that the materials and installations associated with the nursery previously located on the Expansion Premises have been removed. Tenant shall install perimeter fencing along the exterior boundary of each increment of the Expansion Premises within sixty (60) days of the date such increment of Expansion Premises is added to the Premises under the Lease.

g. **Power Line Relocation.** Several of the power poles supporting the Hetch Hetchy power lines described in Section 12.3(a) of the Lease have been relocated prior to the date of this First Amendment. The locations of the remaining Hetch Hetchy power poles on the Expansion Premises are generally depicted on the attached Exhibit I. Tenant shall not conduct mining activities within fifty (50) feet from the remaining Hetch Hetchy power poles. Notwithstanding the provisions of Section 12.3 of the Lease to the contrary, City shall relocate the remaining poles and the power lines as soon as reasonably practicable, but not later than December 31, 2014. City and Tenant shall cooperate in good faith to develop a mutually agreeable schedule for such work and City shall relocate the pole and power lines in compliance with such schedule. Tenant shall reimburse City for City’s costs of relocating the remaining poles and the power lines within sixty (60) days after receipt of an invoice from City for such costs.

12. **Confirmation of Tenant Obligations Regarding SMP 17 and Apperson Site.** Tenant hereby confirms that Tenant shall not commence any active quarrying activities on the Apperson Site (as defined in Section 1.9 of the Lease) until the later of January 1, 2030, or the date on which Tenant completes mining of the Premises in accordance with the provisions of Revised SMP 30, and Tenant shall perform the required studies to seek the modifications to SMP 17 (as defined in Recital G and Section 1.111 of the Lease) described in Section 3.4 of the Lease.

13. **Effective Date; Conditions Precedent.** The effectiveness of this First Amendment is subject to the following conditions precedent (such date on which all of the following conditions precedent are satisfied is referred to herein as the “Effective Date”):
i. The San Francisco Public Utilities Commission shall have adopted a resolution approving the terms and conditions hereof in its sole discretion; and

ii. The Board of Supervisors of the City and County of San Francisco shall have adopted a resolution approving the terms and conditions hereof in its sole discretion.

Promptly following the Effective Date, the parties agree to sign a letter confirming the Effective Date.

14. **Revised SMP 30 Permits and Approvals; Failure to Obtain; Right of Termination of First Amendment.** Pursuant to Section 3.3(g) of the Lease, Tenant has delivered to City a list of additional Plans, Permits and Regulatory Approvals required for the construction, use and/or operation of Revised SMP 30 ("Revised SMP 30 Permits and Approvals") and a schedule for obtaining the Revised SMP 30 Permits and Approvals. A copy of the list and schedule is attached hereto as Exhibit K. Tenant submitted applications for each of the Revised SMP30 Permits and Approvals prior to May 1, 2013, which applications were, to the best of Tenant’s knowledge, complete. If Tenant, despite its best efforts, is unable to obtain one or more of the Revised SMP 30 Permits and Approvals by January 31, 2014, then at any time prior to the date the Revised SMP 30 Permits and Approvals are obtained Tenant may, at its sole option, give written notice to City that it elects to terminate this First Amendment (the "Termination Notice") (subject to the provisions below regarding the survival of certain provisions of this First Amendment). The Termination Notice must be accompanied by (i) the information reasonably required for City to evaluate Tenant’s efforts, (ii) the status of the applicable unissued Revised SMP 30 Permits and Approvals, and (iii) the reason, to the extent known by Tenant, that the applicable agency has not issued the Revised SMP 30 Permits and Approvals, and Tenant must provide a contemporaneous notice to Alameda County that Tenant has exercised the option to terminate this First Amendment and to continue to operate under unrevised SMP 30, subject to completion of the process set forth in this Paragraph 14. Within thirty (30) days after City’s receipt of the Termination Notice and the required accompanying information, SFPUC staff and Tenant shall meet and discuss Tenant’s efforts to obtain the applicable Revised SMP 30 Approval(s), whether to continue to pursue the applicable Revised SMP 30 Permits and Approvals, and, if applicable, the strategy to be used to pursue the applicable Revised SMP 30 Permits and Approvals (the “Permit Status Meeting”). At the time of the Permit Status Meeting the Parties may mutually agree to conduct one or more additional Permit Status Meetings. City, at its sole option, may elect to assist Tenant in its efforts to obtain the Revised SMP 30 Permits and Approvals. City may elect, by written notice to Tenant (the “Continuation Notice) given not less than ten (10) business days following the final Permit Status Meeting, to require Tenant to continue Tenant’s efforts to obtain the Revised SMP 30 Permits and Approvals, in which event Tenant shall continue to use best efforts to obtain the Revised SMP 30 Permits and Approvals through the date that is one hundred eighty (180) days following the date of the Continuation Notice (the “Final Permit Deadline”), and SFPUC shall cooperate in good faith with Tenant’s efforts to obtain the Revised SMP 30 Permits and Approvals. Tenant shall have the right by written notice to City to extend the Final Permit Deadline or rescind the Termination Notice. If Tenant delivers a Termination Notice, Tenant shall immediately cease use of any portion of the Expansion Premises previously delivered to
Tenant and shall immediately cease any operations on the Premises that are not permitted under (unrevised) SMP 30. If City does not deliver a Continuation Notice and Tenant does not rescind the Termination Notice, this First Amendment shall terminate thirty (30) days after the date of the final Permit Status Meeting. If Tenant, despite its best efforts, has not obtained all of the Revised SMP 30 Permits and Approvals by the Final Permit Deadline and Tenant does not rescind the Termination Notice, then on the date that is thirty (30) days after the Final Permit Deadline (the “Amendment Termination Date”), (i) this First Amendment shall be null and void, except for Paragraphs 1, 2, 8, 10.b.-10.h. and 15-22, which shall survive such termination, (ii) the Expansion Premises shall not be added to the Premises under the Lease pursuant to this First Amendment and if any portion of the Expansion Premises has been already added to the Premises under the Lease (the “Delivered Expansion Premises”), such portion shall be surrendered to City by Tenant on the Amendment Termination Date vacant and free of any equipment and in the same condition as delivered to Tenant, (iii) the term of the Lease shall expire at the end of the Initial Term, and (iv) the Parties shall promptly notify Alameda County of the termination of this First Amendment. Tenant shall remain liable for all of Tenant’s obligations which arose with regard to the Delivered Expansion Premises prior to the Amendment Termination Date, and Tenant's indemnification obligations under the Lease shall survive the termination of the Lease with regard to the Delivered Expansion Premises with regard to events occurring prior to such termination.

15. **Attorneys’ Fees.** In the event a dispute arises concerning this First Amendment, the party not prevailing in such dispute shall pay any and all costs and expenses incurred by the other party in enforcing or establishing its rights hereunder (whether or not such action is prosecuted to judgment), including, without limitation, court costs and reasonable attorneys' fees. For purposes of this First Amendment, reasonable fees of attorneys of City's Office of the City Attorney shall be based on the fees regularly charged by private attorneys with the equivalent number of years of experience in the subject matter area of the law for which the City Attorney's services were rendered who practice in the City of San Francisco in law firms with approximately the same number of attorneys as employed by the Office of the City Attorney.

16. **References.** No reference to this First Amendment is necessary in any instrument or document at any time referring to the Lease. Any future reference to the Lease shall be deemed a reference to such document as amended hereby.

17. **Applicable Law.** This First Amendment shall be governed by, construed and enforced in accordance with the laws of the State of California.

18. **Counterparts.** This First Amendment may be executed in counterparts, each of which shall constitute an original but all of which shall constitute one document.

19. **Entire Agreement.** This First Amendment sets forth the entire understanding of the parties on the subject matter of this Agreement. There are no agreements between City and Tenant relating to the Lease other than those set forth in writing and signed by the parties. Neither party has relied upon any understanding, representation or warranty not set forth herein, either oral or written, as an inducement to enter into this Agreement.
20. **Lease in Full Force and Effect; First Amendment Prevails.** Except as amended hereby, the Lease remains unmodified and in full force and effect. To the extent the provisions of this First Amendment conflict with the provisions of the Lease, this First Amendment shall prevail. The execution of this First Amendment shall not constitute a waiver of relinquishment of any rights that City may have relating to the Lease.

21. **Successors and Assigns.** The provisions contained herein shall bind and inure to the benefit of the heirs, representatives, successors and assigns of the parties hereto, subject to the applicable provisions of the Lease.

22. **Exhibits.** The following Exhibits are attached to this First Amendment and made a part hereof:

   - Exhibit A: Minimum Required Improvements
   - Exhibit B: Alameda County Planning Commission Resolution No. 12-14
   - Exhibit C: Revised SMP-30 Application Dated August 30, 2011
   - Exhibit D: Conditions of Approval – Revised Surface Mining Permit & Reclamation Plan for SMP-30
   - Exhibit E: Mitigation Monitoring and Reporting Plan (MMRP) - Revised Surface Mining Permit & Reclamation Plan for SMP-30
   - Exhibit F: Conservation Plan for Sunol Quarry SMP-30 Site
   - Exhibit G-1: Initial Plant and Stockpile Locations
   - Exhibit G-2: Phase II Plant and Stockpile Locations
   - Exhibit H: K-Rail Storage Area
   - Exhibit I: Locations of Hetch Hetchy power poles
   - Exhibit J: Diagram Showing Reserved Expansion Premises (New Exhibit A-4 Revised to Lease)
   - Exhibit K: Revised SMP-30 Permits and Approvals

[SIGNATURE PAGE FOLLOWS]
City and Tenant have fully executed this First Amendment as of the date first written above.

TENANT:

OLIVER DE SILVA, INC.,
a California corporation

By: _____________________________
Name: ___________________________
Title: ___________________________

CITY:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation, acting by and through its Public Utilities Commission

By: _____________________________
  HARLAN L. KELLY, JR.
  General Manager, Public Utilities Commission

APPROVED BY
PUBLIC UTILITIES COMMISSION
PURSUANT TO RESOLUTION NO. __________
ADOPTED __________

__________________________
Secretary

APPROVED BY BOARD OF
SUPERVISORS BY RESOLUTION
NO. __________ DATED __________

APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

By ____________________________
  Anita L. Wood
  Deputy City Attorney
Exhibit A
Minimum Required Improvements

1. **Slurry cutoff wall:** Installation of a slurry cutoff wall to reduce the inflow of water from Alameda Creek into the active mining pit on the Premises. The general location of the cutoff wall is shown on Attachment D to the RFP. The cutoff wall along Alameda Creek will be approximately 7,800 feet long at an estimated depth of 35 to 45 feet and should meet a permeability standard not exceeding 10^-7 cm/sec. Depending on the results of studies to be conducted as part of the Application for Revised SMP 30, a second 2,300 foot long slurry cutoff wall along the left bank of San Antonio Creek may also be required at an estimated depth of 40 feet (see Attachment 13 to the RFP). Slurry wall materials and construction shall meet applicable standards established by the American Petroleum Institute for mixing and field-testing of bentonite slurries, and ASTM standards for laboratory testing of slurry properties and hydraulic conductivity. Plans and specifications for the slurry cutoff wall shall be subject to the review and approval of SFPUC and shall contain the following elements:

   i. Coordination of construction
   ii. Equipment layout and storage areas
   iii. Specifications for excavators and mixing equipment
   iv. Procedures for slurry mixing, trenching and backfilling
   v. Materials specifications including sources and certificates of manufacturer’s compliances
   vi. Control of drainage and spills/ environmental protection plan
   vii. Clean-up of site

   The specific design details set forth above (including but not limited to the length of the required cutoff wall) may be subject to change as reasonably approved by SFPUC, provided that in all events the SFPUC’s goal of minimizing seepage losses from Alameda Creek shall be attained.

2. **Installation of Movable Sand and Aggregate Processing Facilities:** Provide a processing plan for mining the entire site according to the Alternative F Plan requirements in a cost effective manner that maximizes royalty revenue to the SFPUC.

3. **Creek Bank Restoration:** After consultation with state and federal resource agencies, restoration of the right bank of Alameda Creek and the left bank of San Antonio Creek (looking downstream) with native vegetation and other measures in accordance with the provisions of the Alternative F Plan and maintain any plantings during the term of the Lease. In addition to regulatory agency approval, the final creek bank restoration plan will be subject to City approval and coordination with the Creek Restoration Study.

4. **Relocation of Existing 36 Inch Water Line During Extension Term:** Removal of the existing 36 inch water line currently located on the Expansion Premises and the
installation of a new, smaller pipeline at a location outside of the quarry boundary parallel to Calaveras Road.

5. **Use of Native Plants to Screen Quarry Operation:** Planting and maintenance of native plants and trees to minimize the visual impacts of the quarry operation from Calaveras Road, consistent with existing requirements in the Alameda County Surface Mining Ordinance.

6. **Nursery Relocation:** Relocate nursery and install new perimeter fence.

7. **Power Line Relocation:** Relocate the portion of the power line to the filter plant located on the Expansion Premises, if required after review by SFPUC engineering and operations staff.
Exhibit B
Alameda County Planning Commission Resolution No. 12-14

[Attached]

NOTE: Exhibit A to the Resolution is attached to this First Amendment as Exhibit D and Exhibit B to the Resolution is attached to this First Amendment as Exhibit E
EXHIBIT “A”

RESOLUTION NO. 12-14 - AT MEETING HELD JULY 16, 2012

RESOLUTION OF THE PLANNING COMMISSION OF THE COUNTY OF ALAMEDA
CERTIFYING THE ENVIRONMENTAL IMPACT REPORT FOR THE REVISED SMP-30 SUNOL VALLEY AGGREGATE QUARRY PROJECT;
MAKING FINDINGS CONCERNING MITIGATION MEASURES AND PROJECT ALTERNATIVES;
ADOPTING A MITIGATION MONITORING AND REPORTING PROGRAM; AND
APPROVING, WITH CONDITIONS, THE PROPOSED REVISED SMP-30 SURFACE MINING PERMIT

Introduced by Commissioner Imhof
Seconded by Commissioner Loisel

WHEREAS the Alameda County Planning Commission, in 1992, approved the application of Santa Clara Sand and Gravel Company (a predecessor to Oliver de Silva, Inc.), for a Surface Mining Permit and Reclamation Plan, designated as Alameda County Surface Mining Permit SMP-30, for sand and gravel operations on a site occupying parcels located south of I-680 and west of Calaveras Road in unincorporated Alameda County near the Town of Sunol, comprising a total of approximately 323 acres of land owned by the San Francisco Public Utilities Commission (SFPUC); and

WHEREAS, pursuant to applicable provisions of the Surface Mining and Reclamation Act of 1975 (Pub. Res. Code §§2710-2795) (SMARA) and the County’s plans, policies and ordinances for surface mines in Alameda County, Oliver de Silva, Inc., as the current leaseholder of this property, has vested rights to mine the approximately 323 acres covered by County SMP-30 as originally granted in 1992; and

WHEREAS the State of California Mining and Geology Board, pursuant to authority granted under SMARA, has designated the SMP-30 site and additional adjacent property as containing aggregate and mineral deposits of regional significance; and

WHEREAS, on August 30, 2011, Oliver de Silva, Inc. submitted to the Alameda County Community Development Agency an application for a revision to the Mining and Reclamation Plan for SMP-30 to expand the existing quarry by increasing the area under permit by approximately 58 acres and deepening the depth of excavation, to extend the expiration date of the mining permit to 30 years after approval of the modification, and to add additional ancillary uses at the site including an asphalt batch plant and a concrete plant (“Project”), which application was determined to be complete in accordance with the Alameda County Surface Mining Ordinance, Chapter 6.80 of the Alameda County Ordinance Code (ACSMO); and

WHEREAS the County of Alameda (“County”) is the lead agency for preparing the environmental review for the Project pursuant to the California Environmental Quality Act (“CEQA”); and
WHEREAS, on October 25, 2011, the County issued a combined Notice of Preparation of an Environmental Impact Report ("EIR") for the Revised SMP-30 Sunol Valley Aggregate Quarry Project ("Project") / Notice of Public Scoping Meeting, which was mailed to all Responsible and affected agencies pursuant to Public Resources Code Section 21080.4 and CEQA Guidelines Section 15082; and

WHEREAS, on November 15, 2011 a public scoping session was held in the community of Sunol at the Sunol Glen Elementary School, during which comments were received by the County and taken into account during the preparation of the Draft EIR, and

WHEREAS the County prepared the Draft Environmental Impact Report for the Revised SMP-30 Sunol Valley Aggregate Quarry Project ("Draft EIR") in accordance with Public Resources Code Section 21000 et seq. and CEQA Guidelines Section 15000 et seq.; and

WHEREAS, on April 2, 2012, the County provided notice regarding the availability of the Draft and distributed copies of the Draft EIR to public agencies which have jurisdiction by law with respect to the Project and to other interested persons and agencies and sought the comments of such persons and agencies pursuant to Public Resources Code Section 21092; and

WHEREAS notice inviting comments on the Draft EIR was given in compliance with CEQA Guidelines Section 15085; and

WHEREAS, on May 16, 2012 the County held a public hearing on the Draft EIR before the Sunol Citizens' Advisory Committee; and

WHEREAS, on May 17, 2012 the 45-day public comment period for the Draft EIR ended; and

WHEREAS written and oral comments to the Draft EIR have been received and responses to those comments prepared in the form of the Final Environmental Impact Report for the Revised SMP-30 Sunol Valley Aggregate Quarry Project ("Final EIR"), prepared pursuant to CEQA Guidelines Section 15089. The Draft EIR and Final EIR are referred to herein collectively as the "EIR"; and

WHEREAS, on July 2, 2012, the County circulated the proposed responses to comments to public agencies and interested private organizations and persons submitting comments on the Draft EIR pursuant to Public Resources Code Section 21092.5; and

WHEREAS, prior to approving this resolution and recommending action on the Project, the Planning Commission independently reviewed and analyzed the EIR and considered the information contained therein and all comments, written and oral, received prior to and during the public hearing on the EIR; and
WHEREAS the Planning Commission considered the EIR prepared for the Project, staff reports pertaining to the EIR, and all evidence received at duly noticed public hearings. All of these documents and evidence are herein incorporated by reference into this Resolution; and

WHEREAS the EIR identifies certain significant and potentially significant adverse environmental impacts and recommends certain mitigation measures regarding such effects; and

WHEREAS the County is required whenever possible, pursuant to CEQA, to adopt all feasible mitigation measures and feasible project alternatives that can substantially lessen or avoid any significant environmental effects; and

WHEREAS this Commission finds that changes or alterations have been required in, or incorporated into the Project which would avoid or mitigate to the maximum extent feasible and to less than significant levels those potential significant environmental effects of the Project as identified in the EIR; and

WHEREAS the EIR identified the Project as the environmentally superior alternative; and

WHEREAS the EIR reflects the County’s independent judgment and analysis of the potential for environmental impacts and constitute the Environmental Impact Report Project; and

WHEREAS notice of public hearing was given as required by law, and the Alameda County Planning Commission held a public hearing on the EIR and the Project on July 16, 2012 at 224 West Winton Avenue, Hayward, California; and

WHEREAS the comments and testimony submitted in writing and at the public hearing, the analysis by County staff, and other items in the public record have been considered by the Commission prior to the actions by this Commission as set forth in this Resolution; and

WHEREAS prior to the actions by this Commission set forth in this Resolution, this Commission reviewed and considered the proposed Project, the EIR and all comments thereon and responses to such comments, and the proposed Mitigation Monitoring and Reporting Program prepared by the County’s environmental consultant for the environmental mitigation measures, in accordance with the provisions of CEQA and the County’s environmental review guidelines; and

WHEREAS this Commission finds that changes or alterations have been required in, or incorporated into, the Project which would avoid or mitigate to the maximum extent feasible and to less than significant levels the potential significant environmental effects of the Project as identified in the EIR; and

WHEREAS this Commission further finds that the proposed Revisions to the Sunol Valley Aggregate Quarry Project, Revised SMP-30 are the public interest for the reasons that it
maximizes recovery of aggregate and mineral deposits of regional significance, enables colocating of concrete and asphalt processing facilities near the source of raw aggregate materials with certain resulting environmental benefits, and serves to implement reclamation of the Project site in a manner which achieves maximum water storage potential for the SFPUC; and

WHEREAS this Commission further finds that, based upon this Commission's review of the proposed Project, the EIR, the staff analysis and other items in the public record and other findings set forth in this Resolution, the Revised SMP-30 Project is consistent and complies with and conforms to the requirements of:

1. SMARA Sections 2772 and 2773 and other applicable provisions of SMARA; and
2. California Code of Regulations, Title 14, Division 2, Chapter 8, subchapter 1, Sections 3500-3505, 3700-3713, and other applicable State regulations; and
3. Applicable policies of the Alameda County General Plan and the East County Area Plan; and
4. The Alameda County Zoning Ordinance and Surface Mining Ordinance; and
6. The protection of the public health, safety and welfare; and

WHEREAS this Commission further finds that the land and/or resources to be reclaimed pursuant to the Revised SMP-30 Surface Mining Permit will be restored to a condition that is compatible with, and blends in with the surrounding natural environment, topography and other resources as such environment, topography and resources are planned to exist upon the completion of mining on and off of the Project site; and

WHEREAS this Commission further finds that the amended Reclamation Plan pursuant to Revised SMP-30 will restore the mined lands to a usable condition that is readily adaptable for watershed management, water storage and recreational trails consistent with the Alameda County General Plan, the East County Area Plan, the SFPUC Alameda Watershed Management Plan and as specified in the Reclamation Plan for Revised SMP-30; and

WHEREAS this Commission further finds that a written response to the State Department of Conservation's letter dated May 10, 2012, which response describes the disposition of the major issues raised by that Department, has been included within the staff analysis for this Project and the staff analysis has been provided to that Department; and

WHEREAS this Commission further finds that certain conditions of approval are necessary for maintenance of the public health and safety and are a necessary prerequisite to safe and orderly continuing quarry and associated ancillary and reclamation activities on the Project site;
NOW, THEREFORE:

BE IT RESOLVED that this Planning Commission does hereby certify that the EIR has been completed in accordance with CEQA, has been presented to and reviewed by this Planning Commission prior to the Commission's decision on the Project, and reflects the County's independent judgment and analysis; and does hereby adopt the proposed Mitigation Monitoring and Reporting Program (MMRP) as the valid environmental review for this Project; and

BE IT FURTHER RESOLVED that this Planning Commission does hereby approve the Revised SMP-30 Surface Mining Permit Mining and Reclamation Plan as proposed in Oliver de Silva's Application for the Project dated August 30, 2011 and as amended as of July 16, 2012, subject to the conditions of approval hereinafter set forth, which include the incorporation of environmental mitigation measures as identified in the EIR and responses to comments on the EIR; and

BE IT FURTHER RESOLVED that the facts, findings and other information set forth in the recitals portion of this Resolution, the Application, the Draft EIR, the responses to the comments as contained in the Final EIR, and the staff analysis for this Project are hereby incorporated herein by this reference and adopted by this Planning Commission as findings in support of its actions set forth in this Resolution; and

BE IT FURTHER RESOLVED that the above stated Conditions of Approval to the Revised SMP-30 Surface Mining Permit, which includes certain existing Conditions of Approval for SMP-30 as previously approved by the Planning Commission in 1992 and which are not modified hereby, are set forth in Exhibit A to this Resolution; and

BE IT FURTHER RESOLVED that the approved Mitigation Monitoring and Reporting Program for this Project is set forth in Exhibit B to this Resolution; and
BE IT FURTHER RESOLVED that this Planning Commission does hereby direct County staff to promptly file an appropriate Notice of Determination with the County Clerk.

ADOPTED BY THE FOLLOWING VOTE:

AYES: Imhof, Jacob, Loisel, Ratto, Ready, Rhodes,  
NOE: None  
EXCUSED: None  
ABSENT: None  
ABSTAINED: None

Chris Bazar, Community Development Director, and  
Albert Lopez, Secretary to the County Planning Commission of Alameda County
Exhibit C
Revised SMP-30 Application Dated August 30, 2011

[Attached]
CONTENTS:
County Application Forms
Revised Use Permit Description
Reclamation Plan Exhibits

Lead Agency
Alameda County, Community Development Agency

Applicant/Operator
Oliver de Silva, Inc.
SMMP-30
REVISED USE PERMIT APPLICATION PACKAGE

OCTOBER | 2011

Lead Agency
Alameda County, Community Development Agency
224 W. Winton Ave., Room 111, Hayward, California 94544

Applicant/Operator
Oliver de Silva, Inc.
11555 Dublin Boulevard, Dublin, California 94568

Preparer
Benchmark Resources
4990 Hillsdale Circle, Suite 400, El Dorado Hills, California 95762

EXHIBIT A

RECEIVED

NOV 15 2011

File # SMMP #11-30
Alameda Co. Planning

PLN 2011-00206
CONTENTS

COUNTY APPLICATION FORMS

- Standard Application with Stormwater Quality Control Requirements
- Surface Mining Permit Application

REVISED USE PERMIT DESCRIPTION

RECLAMATION PLAN EXHIBITS

- Sheet 1: Surface Mining Permit Map
- Sheet 2: Site Conditions
- Sheet 3: Mine Plan
- Sheet 4: Phasing and Reclamation Plan
- Sheet 5: Cross-Sections
COUNTY APPLICATION FORMS
STANDARD APPLICATION
WITH STORMWATER QUALITY CONTROL REQUIREMENTS
WE WILL NOT ACCEPT INCOMPLETE SUBMITTALS!!

1. Type of application: 
- [ ] Boundary Adjustment
- [ ] Subdivision
- [ ] Conditional Use Permit
- [ ] Vacation
- [ ] Site Development Review
- [ ] Return
- [ ] Administrative Conditional Use Permit
- [ ] Sign Review
- [ ] Other

2. Brief description of application: This is an application for modification of an existing sand and gravel extraction operation that would ultimately occupy up to 381 acres and provide a local source of aggregate products in the quantities needed to support the local economy.

3. Project site: 6527 Calaveras Rd, Sunol, CA 94586

4. Assessor’s parcel number(s): 96-376115 and 96-9088 (portions thereof)

5. Special instructions to access property (e.g., dogs, gates, alarms, etc.): The primary road access route is I-680, which provides regional access for primary ingress and egress to Sunol.

6. Land owner: Michael Carlin

7. Applicant: Jim Summers

8. Primary contact person: Jim Summers

FOR PLANNING DEPARTMENT USE ONLY

Alameda County
COMMUNITY DEVELOPMENT AGENCY
PLANNING DEPARTMENT

Officers: 224 West Winton Avenue, Room 111
Hayward, CA 94544

Permit Center: 399 Elmhurst Street, Room 141
Hayward, CA 94544

Phone: (510) 670-5400 Fax: (510) 785-8763

November 2069
AFFIDAVIT:

1. I attest under penalty of perjury to the truth and accuracy of all the facts, exhibits, maps, and attachments presented with and made a part of this application.

2. I hereby authorize County staff and members of review bodies, including but not limited to the Castro Valley Municipal Advisory Council, the Board of Zoning Adjustments, the Planning Commission, and the Board of Supervisors, to enter upon my property to verify or obtain information, to view the property, or to photograph the property and the surrounding area as part of the application review process. (Please note any special instructions regarding access to your property such as dogs, gates, alarms, etc.)

I understand that staff will make all efforts to notify me of such site visits, but that this may not always be possible.

3. I understand that unless this is a fixed fee application, the money I have submitted constitutes a deposit and that costs necessary to complete the application will be billed against this deposit. The County will bill charges for County staff time spent processing this application at an hourly rate that represents salary plus overhead and will bill consultant charges at actual cost. In addition the County will bill direct costs, including but not limited to actual costs of mailing or publication of notices or actions, against the deposit.

The deposit is based on the typical time it takes to process an application similar to mine. However, processing time may vary depending on the specifics of an application and it is possible, particularly if my application becomes controversial, that the processing time, and thus the cost, may exceed the estimated time. If this happens, I am responsible for the additional costs. When costs approach the amount of my deposit, the County will notify me and request an additional deposit based on the County’s best estimate of the additional time necessary to complete the application.

It is also possible that the costs to process my application will be less than the deposit. If this happens the County will refund the balance of my deposit, less additional post-approval costs such as landscape inspections, after the appeal period for the approval has passed. Should I withdraw my application, County staff will stop working on it and refund the balance of my deposit less any costs to which the County has committed as of the date of withdrawal, such as costs of publication.

I further understand that I am liable for the cost of processing my application regardless of whether the County approves, approves with modifications, or denies my application, and that all applications approved by the County will be conditioned to require that the County be made whole for any costs of processing the application that may be outstanding.

4. I understand that acceptance of this application and accompanying material does not constitute acceptance of this application as complete. I further understand that although my application may be deemed complete for purposes of initial review, it is possible that I may need to submit additional information as the review proceeds or after final action on my application, including but not limited to the following:

- Additional information as needed to complete an environmental review under the California Environmental Quality Act,
- Additional information as needed to clarify the application or address questions raised either as a result of responses received from the referral of my application to other public agencies and interested parties or in response to issues raised at public hearings by members of the hearing body or the general public who submit written or oral testimony at the hearings,
- Final information that will be necessary to meet Public Works Agency Stormwater Management requirements;
- Revised plans, elevations, or other material necessary to illustrate or otherwise conform to changes that the final approval body makes to my original submittal;
- Additional material, such as landscape or drainage improvement plans, that may be required under a condition or provision of approval.

I understand that delay of information submittal or submittal of inaccurate information may delay the review process.

5. I understand that if I make changes in proposed plans during the review process or in approved plans before construction permits are issued, during construction, or prior to final inspection and occupancy, such changes will require additional design review by County staff and the advisory and approval bodies. It is my responsibility to submit such revised plans to County staff in a timely manner. This may require four to six or more additional weeks of review and processing time from the time I submit complete plans. Depending on the final outcome of the approval process, I may have to submit revised plans consistent with that action as noted above. In addition, any unauthorized building, demolition, grading, landscaping, or other site plan changes made during the review period will require correction at my expense.

6. I understand that any representations made to me in a pre-application meeting or otherwise prior to or during the application review process regarding cost or timing are best-guess estimates and that I cannot bind or hold the County to them. I understand that factors such as changes to my project or issues raised by approval bodies or members of the public during the review process, including at public hearings, can extend the time necessary to complete the review and reach a decision on my application.

7. Furthermore, I hereby agree to hold the County harmless from all costs and expenses, including attorney’s fees, that the County incurs or is held to be the liability of the County in connection with the County’s defense of its actions in any proceeding brought in any State or Federal Court challenging the County’s actions with respect to my project. This includes but is not limited to actions brought pursuant to the California Environmental Quality Act, the Alameda County Zoning Ordinance, or other State and County code and ordinance requirements. If I fail to defend adequately the County, the County may provide its own legal defense and subdivide or its successors shall be responsible for the County’s reasonable attorneys’ fees. This agreement to hold the County harmless shall extend to any successors in interest to this application. I agree that if this application is signed by more than one person the obligations and liabilities of each person is joint and several, with each person being responsible for the entire obligation.

Applicant Signature: [Signature]
Date: 10/10/11

Landowner Signature: [Signature]
Date: 10/10/11
Stormwater Quality Control Requirements

What Developers, Builders, and Project Proponents Need to Know

For more Information Please visit:

Alameda Countywide Clean Water Program ~ New Development and Redevelopment

http://cleanwaterprogram.org/businesses_developers.htm
**Development and Building Application Information:**

**Impervious Surface Form**

Complete at the development application stage (to encourage minimizing impervious surface) and at the building application stage (to document what will be constructed) for all projects on lots 10,000 square feet or greater. Projects that receive permit approvals on or after December 1, 2011, may be subject to new requirements – summary of new requirements on Page 2.

**Date of Application:** August 25, 2011  
**Type of application:**  
- Site development review  
- Building permit  
- Parcel/tentative/vesting/tract map  
- This is an updated form

**Project Location or Address:** 6527 Calaveras Road, Sunol, CA

**Project watershed (name of creek or other receiving water):** Alameda Creek Watershed

**Project Name (if applicable):** SMP-30

**Project Type:**  
- Commercial/Industrial  
- Residential Subdivision  
- Single family residence  
- Mixed Use  
- Auto-service Facility  
- Retail Gasoline Outlet  
- Restaurant  
- Parking lot  
- Public Agency

**Property Owner’s Name:** San Francisco Public Utility Commission

**Applicant’s Name:** Oliver de Silva, Inc.

- Owner  
- Contractor  
- Engineer/Architect  
- Developer

**Applicant’s Address:** 11555 Dublin Boulevard

**Applicant’s Phone:** 925-828-7999  
**Fax:** 925-803-4327  
**Email:** jsomers@desilvagroup.com

**Parcel/Tract No.:** Lot No.:  
**APN #** 96-375-11-5, 96-375-15, and 96-80-8

**Total Lot (or Parcel/Tract) Area:** 381 Acres  
**Total Area Disturbed:** 381 Acres

<table>
<thead>
<tr>
<th>Type of Impervious Surface</th>
<th>Pre-Project Condition (sq.ft.), if applicable</th>
<th>Proposed Impervious Surface (IS), in sq. ft.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building(s) footprint, Driveway(s), Patio(s), Impervious deck(s)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Uncovered parking lot (including top deck of parking structure)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Impervious trails, Miscellaneous paving or structures</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Off-lot Impervious Surface (Streets, Sidewalks and/or Bike lanes built as part of new street)</td>
<td>N/A</td>
<td></td>
</tr>
</tbody>
</table>

**Total Impervious Surface in Square Feet**

- Check box if project plans showing changes in impervious area are attached (may be required by municipality).
- Check box if stormwater treatment measures or flow duration controls are located on public property or right of way.
- Check box if this is part of a phased project or plan.

<table>
<thead>
<tr>
<th>Is total uncovered impervious parking, plus impervious surface for auto-service facility, retail gasoline outlet, and/or restaurant ≥ 5,000 sq. ft.?</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>If yes, see Notice to Applicants (page 2)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
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<th>Is the total proposed impervious surface ≥ 10,000 sq. ft.?</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>If yes, stormwater treatment, site design and source control measures are required. See Notice to Applicants (pg.2)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Is the total proposed impervious surface ≥ 43,560 sq. ft.?</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>If yes, complete HM Applicability Form.</td>
<td></td>
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</tr>
</tbody>
</table>

I declare under penalty of perjury, that to the best of my knowledge, the square footage presented herein is accurate and complete. Incorrect impervious area calculations may delay your project application(s) and/or permit(s).

**Signature of Applicant:**  
**Date:** 10/10/2011

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1 Impervious pavement underlain with pervious soil or pervious storage material, such as a gravel layer sufficient to hold at least the volume of rainfall runoff specified in Provision C.3.d of the Municipal Regional Stormwater Permit (MRP), are not impervious surfaces. The MRP may be downloaded at [www.cleanwaterprogram.org](http://www.cleanwaterprogram.org).

**Alameda Countywide Clean Water Program**  
**Last updated November 2009**
Additional, New Stormwater Use and Treatment Requirements Will Go Into Effect
December 1, 2011

Additional, new, regional requirements mandated by the Regional Water Quality Control Board will affect private development projects beginning December 1, 2011. The following is a summary of applicable new requirements in Provisions C.3.b.ii and C.3.c.i.2 of the San Francisco Bay Region Municipal Regional Stormwater National Pollutant Discharge Elimination System Permit (“Municipal Regional Permit” or “MRP”). The full text of the MRP may be downloaded at www.cleanwaterprogram.org.

New Restrictions on Methods of Stormwater Treatment
Beginning December 1, 2011, all projects that are required to treat stormwater will need to treat the permit-specified amount of stormwater runoff with the following low impact development methods: rainwater harvesting and reuse, infiltration, evapotranspiration, or biotreatment. However, biotreatment (filtering stormwater through vegetation and soils before discharging to the storm drain system) will be allowed only where harvesting and reuse, infiltration and evapotranspiration are infeasible at the project site. Criteria for determining infeasibility are scheduled to be developed by May 1, 2011. Vault-based treatment may not be allowed as a stand-alone treatment measure. Where stormwater harvesting and reuse, infiltration, or evapotranspiration are infeasible, vault-based treatment measures may be used in series with biotreatment, for example, to remove trash or other large solids. (See Provision C.3.c.i.2 of the MRP.)

New Rules for Auto Service Facilities, Retail Gasoline Outlets, Restaurants, and Uncovered Parking
Beginning December 1, 2011, projects that create and/or replace 5,000 square feet or more of impervious surface related to auto service facilities, retail gasoline outlets, restaurants2, and/or surface parking will be required to provide low impact development treatment of stormwater runoff. This requirement will apply to uncovered parking that is stand-alone, or included as part of any other development project, and it applies to the top uncovered portion of a parking structure, unless drainage from the uncovered portion is connected to the sanitary sewer (see Provision C.3.b.ii.1 of the MRP). For all other land use categories, 10,000 square feet will remain the regional threshold for requiring low impact development, source control, site design, and stormwater treatment, although municipalities have the authority to require treatment to the maximum extent practicable for smaller projects.

Will These Requirements Affect My Project?

- If you submitted a development application that was deemed complete before December 1, 2009, and you “diligently pursue” the project, the additional, new requirements will not affect your project.
- If you submit a development application that is deemed complete after December 1, 2009, the additional, new requirements will not apply if the development application has received final discretionary approval before December 1, 2011.
- In all other cases, the additional, new requirements will apply.

1 Auto service facilities, described by the following Standard Industrial Classification (SIC) codes:
   - 5013: Establishments primarily engaged in wholesale distribution of motor vehicle supplies, accessories, tools, equipment, and parts.
   - 5014: Establishments primarily engaged in wholesale distribution of tires and tubes for passenger and commercial vehicles.
   - 5541: Gasoline service stations primarily engaged in selling gasoline and lubricating oils.
   - 7532: Establishments primarily engaged in the repair of automotive tops, bodies, and interiors, or automotive painting and refinishing.
   - 7533: Establishments primarily engaged in the installation, repair, or sale and installation of automotive exhaust systems.
   - 7534: Establishments primarily engaged in repairing and retreading automotive tires.
   - 7536: Establishments primarily engaged in the installation, repair, or sales and installation of automotive glass
   - 7537: Establishments primarily engaged in the installation, repair, or sales and installation of automotive transmissions.
   - 7538: Establishments primarily engaged in general automotive repair.
   - 7539: Specialized automotive repair such as fuel service (carburetor repair), brake relining, front-end and wheel alignment, and radiator repair.

2 Restaurants described by SIC code 5812: Retail sale of prepared food and drinks for on-premise or immediate consumption.

3 Diligent pursuance may be demonstrated by the project applicant’s submittal of supplemental information to the original application, plans, or other documents required for any necessary approvals of the project.
Surface Mining Permit

- For complete filing instructions, see the STANDARD APPLICATION form.
- For general procedures and guidelines, read the handout "Applying for a Surface Mining Permit".
- You should consult with a Planning Department staff member to determine if any materials or information (in addition to those listed below) are needed to evaluate your application.
- If you have any questions, please call (510) 670-5400.

1. Applicant Name: Oliver de Silva, Inc.

2. Submit the following materials and fees to the Alameda County Planning Department at 399 Elmhurst Street, Room 136, Hayward, California. Incomplete applications will not be accepted. Please use the following checklist to ensure your application is complete.

<table>
<thead>
<tr>
<th>REQUIRED</th>
<th>SUBMITTED</th>
</tr>
</thead>
<tbody>
<tr>
<td>✔️</td>
<td>□</td>
</tr>
<tr>
<td>STANDARD APPLICATION form.</td>
<td></td>
</tr>
<tr>
<td>✔️</td>
<td>□</td>
</tr>
<tr>
<td>APPLICATION SUPPLEMENT: Surface Mining Permit form.</td>
<td></td>
</tr>
<tr>
<td>✔️</td>
<td>□</td>
</tr>
<tr>
<td>FILING FEE DEPOSIT: $3,000: Make check payable to &quot;Treasurer, County of Alameda.&quot;</td>
<td></td>
</tr>
</tbody>
</table>

(Note: If this fee deposit is depleted, additional funds must be deposited to continue application processing. Any remaining money will be refunded.)

| ✔️       | □         |
| SURFACE MINING PERMIT: Please submit the following copies of the Surface Mining Permit showing all details and information listed in the handout "Surface Mining Permit Submittal Requirements" Part I. |

- 20 black line or blue line prints of each sheet, folded to 8.5" x 13"
- 1 sepia or vellum copy of each sheet, rolled.
- 1-8.5" x 11" photo reduction.
- 1-8.5" x 11" clear mylar transparency.
- 1-8.5" x 11" vicinity map

| ✔️       | □         |
| GEOTECHNICAL AND SOILS INFORMATION (5 Copies): (Required for areas of known geologic hazard.) See "Surface Mining Permit Submittal Requirements" Part 2 for required information. |

| ✔️       | □         |
| MAILING LABELS: Read the handout "Applying for a Surface Mining Permit" for instructions on preparing mailing labels. |

---

Ph: (510) 670-5400
Fax: (510) 785-8793

Alameda County Planning Department
399 Elmhurst Street Room 136, Hayward, CA 94544

Form SMP.1
Updated Nov., 1992
PURPOSE OF THE PROPOSED MINING OPERATION: This is an expansion of an existing sand and gravel extraction operation that will ultimately occupy up to 381 acres, and provide a local source of aggregate products in the quantities needed to support the local economy.

PROPOSED STARTING DATE: Ongoing

PROPOSED TERMINATION DATE: 30 years following project approval

WILL OPERATIONS BE:

- Continuous
- Intermittent
- Seasonal
- Other (explain):

MINERAL COMMODITY TO BE MINED: Sand and gravel aggregates

TOTAL ANTICIPATED PRODUCTION:
- Mineral commodities to be removed tons (cu. yd.) 60,000,000 tons
- Waste retained on the site tons (cu. yd.) 13.2 MCY
- Waste disposed off site tons (cu. yd.) 0
- Maximum anticipated depth 400 bgs ft.

MINING METHOD (check all applicable):
- Open Pit
- Gravel/Sand Pit
- Single Bench
- Drill and Blast
- Hill Top
- Clay Pit
- Multibench
- Truck to processing plant (to RR)
- Side Hill
- Borrow Pit
- Dragline
- Tailings Pond
- Low Level
- Slurry Pump
- Shovel
- Waste Dump
- Underground
- Rail
- Gravel Bar Skimming
- Other: Processed fines placement
BRIEFLY DESCRIBE THE MINING PLAN. DESCRIBE AND DIAGRAM HOW THE MINING OPERATION IS TO BE CONDUCTED TO PERMIT CONCURRENT RECLAMATION ACTIVITY AND RECLAMATION AT THE EARLIEST POSSIBLE TIME: Mining basin development would involve sequential excavation and placement of processed fines. Excavation to the depth of the floor would occur such that conversion to the reclaimed use in a "phased" manner is not possible, especially given that the post-mining use is water storage, which can not occur in a basin being actively mined. See the attached project description for details.

ESTIMATE QUANTITY (Gallons Per Day) AND QUALITY OF WATER REQUIRED BY THE PROPOSED OPERATION, SPECIFYING PROPOSED SOURCES OF THIS WATER, OF METHOD OF IT'S CONVEYANCE TO THIS PROPERTY AND THE QUANTITY AND QUALITY AND METHOD OF DISPOSAL OF USED AND/OR SURPLUS WATER: To be provided in the EIR project description.

DESCRIBE ALL ON-SITE PROCESSING, MILLING, BENEFICIATION AND SMELTING ACTIVITIES, INCLUDING COMPOSITION AND DISPOSAL METHODS OF ALL WASTE AND TAILING MATERIALS: Aggregate would be transported to the on-site rock processing plant. Overburden and accumulated unmarketable silts and clays would be used as backfill in completed designated excavation areas. See the attached project description for details.

IS OPERATION OF A CONCRETE BATCH PLANT PROPOSED? Yes

ASPHALT BATCH PLANT? Yes

DESCRIBE OTHER ACTIVITIES AND LAND USES THAT WILL OCCUR ON THE SITE, WHETHER OR NOT ASSOCIATED WITH THE MINING ACTIVITY: Land activities and uses would include site preparation (e.g., relocating an existing overhead utility line and water line, installation of a slurry cutoff wall), aggregate mining activities, and water storage basins. See the attached project description for details.

LIST WHICH DAYS OF THE WEEK AND HOURS OF THE DAY MINING AND/OR PROCESSING OPERATIONS ARE TO BE CONDUCTED: See the project description.

WILL EXCAVATION EXTEND NEAR OR INTO A USABLE WATER-BEARING STRATUM: If yes, describe measures proposed to protect the quality of the water and to maintain flow of water through the area: A slurry cutoff wall along Alameda Creek and San Antonio Creek will be installed. The mine boundaries include a 100-foot setback from Alameda Creek, a 250-foot setback from Calaveras Road, and a minimum 50-foot setback from San Antonio Creek.
• Describe measures proposed to protect the mining site from overflow of adjacent streams: To be provided in the EIR project description.

• Describe the equipment to be employed in excavating, processing and in transporting finished material from the site: Typical excavation equipment, such as dozer, self-loading scraper, front-end wheel loader, portable water pump, motor grader, conveyors, haul trucks, and hydraulic excavator. Types of vehicles used for surface maintenance and dust control would vary depending on availability and new models.

• Describe proposed dust and noise control measures: A water truck would be used for maintenance of surfaces and dust control. Emissions controls at the batch plant will also reduce dust. Future long-term plant would be located below surrounding grade to reduce noise.

• Describe potable water and sanitary facilities to be provided to employees: Bottled water and portable toilets would be available to employees.

• Describe points of access to public roads to be used in transporting mined materials and connecting routes to freeways to be followed: Site access would be from Calaveras Road north to Interstate 680 (I-680), which provides regional access to the Sunol area.

• Estimate the average and maximum number of truck trips per day entering and exiting the site. If possible, estimate the distribution of truck trips anticipated in each direction (Refer to routes described in the previous question): To be provided in the EIR project description.

• Estimate what percentage of truck trips will be company-owned vehicles: To be provided in the EIR project description.

• Describe the ultimate physical condition of the site and specify proposed or potential uses of the mined lands as reclaimed. (These uses must be consistent with the Alameda County General Plan; and, if located within the sphere of influence of a city, should be compatible with uses planned by the city): Stationary equipment and structures would be removed. The reclamation plan provides for a site that is suitable for post-mining water storage and distribution. See the attached project description for additional details.
DESCRIPTIVE

Soil conditions and rediscoposition plan for soil salvage: Soil availability and need is limited to East Basin reclamation. Resoiling of the reclaimed water storage basins would be incompatible with reclamation for water management.

ON THE PAPER PROVIDED AT THE END OF THIS SUPPLEMENT, DESCRIBE THE METHODS, THEIR SEQUENCE AND TIMING, TO BE USED IN BRINGING THE RECLAMATION OF THE LAND TO IT'S END STATE. INDICATE ON MAP OR DIAGRAMS AS NECESSARY. INCLUDE DISCUSSION OF THE PERTINENT ITEMS LISTED BELOW:

- Backfilling & grading
- Stabilization of slopes
- Stabilization of permanent waste dumps, tailings, etc.
- Rehabilitation of pre-mining drainage
- Removal, disposal or utilization of residual equipment, structures, refuse, etc.
- Control of contaminants, especially with regard to surface runoff and ground water
- Treatment of streambeds and streambanks to control erosion and sedimentation
- Removal or minimization of residual hazards
- Resoiling, revegetation with evidence that selected plants can survive given the site's topography, soil and climate.

IF APPLICANT HAS SELECTED A SHORT TERM PHASING OF RECLAMATION, DESCRIBE IN DETAIL THE SPECIFIC RECLAMATION TO BE ACCOMPLISHED DURING FIRST PHASE:

Excavation to the depth of the floor would occur such that conversion to the reclaimed use in a "phased" manner is not possible, especially given that the post-mining use is water storage, which cannot occur in a basin being actively mined. See the attached project description for details.

DESCRIPTIVE

Describe how reclamation of this site in this manner may affect future mining at this site and in the surrounding area:

The mineral resources on the SMP-30 site would be exhausted after completion of mining under this plan. Backfill of process fines and use of the site for water management purposes would therefore have little or no effect on mineral resources available for future mining.
IT IS UNDERSTOOD THAT ANY PERMIT ISSUED PURSUANT TO THIS APPLICATION WILL NOT GRANT ANY RIGHT OR PRIVILEGE TO USE ANY BUILDING OR LAND CONTRARY TO THE PROVISIONS OF LAW OR OF ANY ORDINANCE OF THE COUNTY OF ALAMEDA. ALL PROVISIONS OF LAW AND OF ORDINANCE GOVERNING THE USE OF THE AFORESAID BUILDING OR LAND WILL BE COMPLIED WITH WHETHER SPECIFIED HEREIN OR NOT.

I ATTEST UNDER PENALTY OF PERJURY TO THE TRUTH AND CORRECTNESS OF ALL THE FACTS, EXHIBITS, MAPS AND ATTACHMENTS PRESENTED WITH AND MADE A PART OF THIS APPLICATION.

Signed: [Signature], Applicant

Date: 10/10/2011

Mailing Address: Oliver de Silva, Inc.
11555 Dublin Blvd., 1st Floor
Dublin, CA 94568

Phone: (925) 828-7999
SM P - 30
REVISED USE PERMIT DESCRIPTION

OCTOBER | 2011

Lead Agency
Alameda County, Planning Department

Operator
Oliver de Silva, Inc.
SMMP - 30
REVISED USE PERMIT DESCRIPTION

OCTOBER 2011

Lead Agency
Alameda County, Planning Department
224 West Winton Avenue, Hayward, California 94544

Operator
Oliver de Silva, Inc.
11555 Dublin Boulevard, Dublin, California 94568

Preparer
Benchmark Resources
4990 Hillsdale Circle, Suite 400, El Dorado Hills, California 95762
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1.0 PROJECT OVERVIEW

1.1 PROJECT OBJECTIVES

1.1.1 Need for the Project

In 2006, the San Francisco Public Utility Commission (SFPUC) issued a request for proposals for the lease and operation of the SMP-30 Quarry (SMP-30), which included the potential for expansion through a revision of County permits. The SFPUC evaluated submittals, and subsequently entered into an exclusive negotiating agreement with Oliver de Silva, Inc. (ODS), and ODS has now been issued a lease from the City and County of San Francisco for the Sunol Valley Aggregate Quarry Site. The lease includes the currently active quarry site of 323 acres permitted under Alameda County SMP-30, and an additional approximately 58-acre area along the southeast boundary of the current SMP-30 site. As the new leaseholder/operator of the Sunol Valley Aggregate Quarry, ODS has now applied to Alameda County for a Revised SMP-30 mining permit as further described below.

The Project’s primary goal is to recover the site’s mineral resources, consisting of high-quality construction sand and gravel, and to support existing and future construction projects in the region. Aggregate products are essential for building and maintaining our public and private infrastructure. Buildings, homes, hospitals, roads, airports, shopping centers, sewer and storm water systems all depend on aggregates. Between 40 and 60 percent of all aggregates are used in public works projects; sand and gravel and stone comprise nearly 90 percent of the materials needed to build federal, state and local roads.

1.1.2 Objectives

The proposed project, succinctly involves a “lay-back” of the east slope and additional depth to be mined, allowing additional recovery of known reserves at an existing operation. ODS has developed a set of basic objectives surrounding this Project and its
operational requirements. As a commercial mining and aggregate products business, the Project will need to have the following:

- A supply of sufficient resources for long-term (30 years) availability;
- A property of sufficient size and existing surrounding land uses that minimize land use compatibility issues;
- A location with competitive distance to aggregate consumption markets;
- A site located within the MRZ-2a zone;
- Property under one ownership;
- Ability to efficiently transport product via the local road network and state highway system;
- A site with no prohibitive easement, agreement, or contract restrictions;
- A site consistent with Alameda General Plan policies, including Measure D for expansion of an existing quarry site on the same or adjoining parcel;
- A site consistent with the SFPUC Watershed Management Plan; and
- A site that minimizes additional contributions to GHG emissions by enhancing supply and production proximal to destinations of construction projects.

1.2 SITE LOCATION AND CONDITIONS

SFPUC’s SMP-30 Property (Property) is located in the vicinity of Sunol, California. The Property is under lease by ODS for production of construction aggregates. The Property lies within the Alameda Creek watershed, which has been a source of construction aggregates for Alameda County for over 50 years.

The Property lies within a Mineral Resource Zone (MRZ); and has been designated by the State Mining and Geology Board (SMGB) as an area containing significant aggregate mineral deposits (MRZ-2a). Decades of production and additional drilling on the property confirms that it contains construction aggregate materials of the quantity and quality such that continued mineral extraction is feasible.

1.3 PROJECT OVERVIEW

SMP-30 is an approximately 323-acre site that has been approved for an aggregate mining and production facility. Although resources are available, and the site could continue to operate under its existing permit through 2021, the adjacent parcel has become available, providing opportunity to increase reserves and expand the basin to be used for water storage. A comparison of the existing SMP-30 operation to the
revised SMP-30 is shown in Table 1, “Comparison of Approved Operation vs. Revised SMP-30.”

Continued operations would be typical of a sand and gravel extraction operation, with conventional mining practices common to the industry. Soils and overburden would be removed and the underlying aggregate reserves excavated and transported to the rock processing plant site for washing and sizing. Mining will be scheduled in phases that increase both the depth and width of the basin. Overburden and accumulated unmarketable silts and clays (wash fines) would be used as backfill in completed designated excavation areas, and then covered with salvaged topsoil (where surface grade is met). However, most of the property would be converted to water storage basins to increase the capacity of such facilities operated by the SFPUC. Materials would be sold as washed aggregates, or used to make products, including asphaltic concrete and Portland cement concrete at on-site plants. A planned maximum production of 3.0 million tons (marketed) per year is anticipated. Site access would be from Calaveras Road north to Interstate 680 (I-680). Mining activities would occur incrementally and take about three decades to complete.

1.4 PURPOSE AND NEED

The primary goal of the Landowner (SFPUC) is to achieve the water storage goals set forth in the Sunol Valley Resource Management Element of the Alameda Watershed Plan adopted by the SFPUC in 2000. The Operator, in developing the water storage basins that assist in the Landowner goals, will provide a local source of aggregate products to the region, in the quantities (both for reserves and annual production rate) needed to support the local economy and provide a regional supply base.

The availability, consumption, and demand for aggregate reserves throughout California are of concern and interest not only to local industries, but also to state and local planning and transportation agencies due to the diminishing supplies of these essential resources. Aggregates provide the materials necessary for a wide range of public works and private-sector construction projects. Because the cost of aggregate is heavily influenced by the costs to transport it from where it is mined and processed to where it is used, the availability of local sources play a key role in the costs of infrastructure maintenance and development, and the costs of other local development. SMP-30 lies less than 10 miles from the centers of Pleasanton and Fremont, and 15 miles from Milpitas. Because a direct correlation exists between miles traveled and Greenhouse Gas (GHG) emissions, local sources of materials for these communities reduce GHG emissions as compared to more distant supplies. Because “Measure D”
(approved by voters in Alameda County in 2000) eliminates the development of new quarry sites, full development of the resource potential at existing operations is all the more important.

### TABLE 1
**COMPARISON OF APPROVED OPERATION VS. REVISED SMP-30**

<table>
<thead>
<tr>
<th>Design/Operating Characteristics</th>
<th>Approved Operations</th>
<th>Revised SMP-30</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATIONS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>96-375-11-5 (portion) and 96-80-8</td>
<td>96-375-11-5 (portion) and 96-80-8</td>
<td>Expansion into adjacent 58-acre parcel under same ownership</td>
<td></td>
</tr>
<tr>
<td>Startup Date and Termination Date</td>
<td>Startup: Ongoing since the 1960s Termination: June 1, 2021</td>
<td>Startup: Ongoing since the 1960s Termination: December 31, 2042 (or 30 years after date of approval)</td>
<td>Operation extended for 21 years</td>
</tr>
<tr>
<td>Type of Materials/Product to be Mined/Sold</td>
<td>Sand and gravel</td>
<td>Sand and gravel, asphaltic concrete, and ready-mix concrete</td>
<td>Sales of products made from sand and gravel</td>
</tr>
<tr>
<td>Operating Hours</td>
<td>6 a.m. – 11 p.m. (Monday – Saturday) Occasional Sunday and 24-hour operations</td>
<td>Up to 24-hours/day (Monday – Saturday) Occasional Sunday and 24-hour operations as necessary for project requirements</td>
<td>Operating hours consistent with changes in industry to meet public works project demands</td>
</tr>
<tr>
<td><strong>MINE AND RECLAMATION DATA</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acreages</td>
<td>323 acres</td>
<td>381-acres</td>
<td>±58-acres</td>
</tr>
<tr>
<td>Total Production</td>
<td>None stated (calculated as ±12 MT remaining)</td>
<td>60 MT</td>
<td>±48 MT</td>
</tr>
<tr>
<td>Facility Production</td>
<td>Permitted: No stated maximum limit (actual maximum: 1.2 million tons)</td>
<td>Sand and Gravel Production Maximum: 3.0 MT/YR Asphaltic concrete: 1.0 MT/YR Ready-mixed concrete: 250,000 CY/YR</td>
<td>Up to 1.8 MT/YR limit increase Production specified</td>
</tr>
<tr>
<td>Maximum Excavation Depth</td>
<td>120 feet AMSL (140-feet bgs)</td>
<td>-140-feet AMSL (400 feet bgs)</td>
<td>260-feet increased depth</td>
</tr>
<tr>
<td>Setbacks</td>
<td>Alameda Creek – 100 feet San Antonio Creek – 50 feet All buried utilities and pipelines - 50 feet (only)</td>
<td>Calaveras Road – 250 feet Alameda Creek – 100 feet San Antonio Creek – 50 feet All buried utilities and pipelines – 50 feet (only applies)</td>
<td>Setbacks maintained</td>
</tr>
</tbody>
</table>
### Design/Operating Characteristics

<table>
<thead>
<tr>
<th>Approved Operations</th>
<th>Revised SMP-30</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applies to 1992 45-acre expansion area</td>
<td>1992 45-acre expansion area</td>
<td></td>
</tr>
<tr>
<td>Transmission tower foundations – 50 feet (only applies to 1992 45-acre expansion area)</td>
<td>Transmission tower foundations – 50 feet (only applies to 1992 45-acre expansion area)</td>
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</tr>
</tbody>
</table>

### Slopes

<table>
<thead>
<tr>
<th>Original 285-acre site:</th>
<th>Cut slope: 2:1</th>
<th>Fill slopes: 2:1</th>
</tr>
</thead>
<tbody>
<tr>
<td>2:1 (above seepage or groundwater level)</td>
<td>Maximum slope angles maintained; supported by geotechnical investigation</td>
<td></td>
</tr>
<tr>
<td>2 ½:1 (below groundwater level)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4:1 (where groundwater level has been lowered causing seepage through the slope)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fill slopes shall be constructed of “pit run” materials and compacted to a relative compaction of 90%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>y operations would</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Reclamation

| No quantities of water storage estimated | Water storage up to approximately 27,000 AF | New plan will store up to approximately 27,000 AF |

### Other Details

- Slurry Cutoff Wall
- Reclamation and revegetation in accordance with Alternative F of the Sunol Valley Resources Management Element of the Alameda Watershed Management Plan.
- Alameda and San Antonio Creeks Bank Restoration
- Relocation of existing 36-inch water line
- Relocation of Power Line
- Screening of quarry operations from Calaveras Road
1.0 Project Overview

<table>
<thead>
<tr>
<th>Design/Operating Characteristics</th>
<th>Approved Operations</th>
<th>Revised SMP-30</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>• Coordination with the SFPUC, Alameda County, East Bay Regional Parks District and the Town of Sunol for planning a comprehensive regional trail system along the local reaches of Alameda Creek.</td>
<td></td>
</tr>
</tbody>
</table>
2.0 SITE DESCRIPTION

2.1 LOCATION

The Project site is located in an unincorporated area of south-central Alameda County, California, about 10 miles south of Pleasanton, and 10 miles east of Fremont (as shown in Figure 1, “Regional Location,” and Figure 2, “Site Location”). The Project would be located entirely within the boundaries of the Assessor’s Parcel Numbers (APN) 096-0080-008 and 096-0375-011-05, as shown in Figure 3, “Parcel Map.”

The site lies in Section 36 of Township 24S, Range 1W of the U.S. Geological Service (USGS) topographic map (MD B&M).

2.2 ACCESS

Calaveras Road is a north-south improved road that extends along the Sunol Valley. The primary arterial route is I-680, which provides regional access (see Figure 2) to the Sunol area, including SMP-30 and other sites where mining is developing water storage basins for the SFPUC.

An existing driveway provides direct access to the SMP-30 plant site and load-out area. This driveway is acceptable at its existing location for continued operations of the plant. As operations expand, an additional access driveway would be installed south of the existing driveway. The existing driveway and the additional access are shown on Figures 4, “Existing Conditions Aerial Photograph,” and Figures 5, “Mine Plan.”

2.3 EXISTING CONDITIONS

SMP-30 has been an aggregate production facility for several decades. Current conditions are reflected in Figure 4.
2.3.1 Land Use

There are a variety of land uses in the surrounding vicinity of the Project site:

- To the immediate north across San Antonio Creek and to the immediate west across Alameda Creek is the Lehigh-Hanson Quarry. This is an active sand and gravel mining operation comprised of active excavation areas, maintenance and operations buildings, pits, silt/holding basins, processing facilities and other outdoor equipment and materials storage areas.
- An array of overhead and underground power, natural gas, and water transmission lines traverse the valley and the SMP-30 site. Design setbacks from transmission line and power line easements largely influence the lateral extent (and consequently the depth) of extraction areas.
- An existing plant nursery, including greenhouse structures and outdoor storage areas, occupies land immediately to the north across San Antonio Creek and along Calaveras Road. Additional nursery uses are along Calaveras Road to the north.
- Open SFPUC watershed lands bound the site across Calaveras Road to the east.
- San Antonio Reservoir is approximately 4,000 feet east of the Project site.
- SFPUC maintains a chlorination facility and the Sunol Valley Water Treatment Plant to the immediate south of the site. Additional open SFPUC watershed lands are to the south.
- EBRPD’s Sunol Regional Wilderness is approximately 2 miles to the south. Principal access to the park is via Calaveras Road past the project site to Welch Creek Road and Geary Road.
- A private ranch residence to the south and a SFPUC watershed keeper’s residence located to the east of the site are the only residences in the immediate vicinity.
- The Town of Sunol is approximately 2 miles northwest of the Project site, westerly along Highway 84 (Paloma Road) about ¾ miles from the intersection of Calaveras Road and I-680.

Other recent, current and/or planned projects and ongoing land management activities in the vicinity include:

- The Sunol Valley Water Treatment Plant Expansion and Treated Water Reservoir project,
- The New Irvington Tunnel project,
- The Alameda Siphon #4 Project,
- The San Antonio Backup Pipeline project, and
- The Upper Alameda Creek Filter Gallery project.

Additionally, the surrounding SFPUC watershed lands are managed pursuant to the approved SFPUC Alameda Watershed Management Plan and its associated EIR.

The Project site is relatively flat, with elevations ranging from 260 feet above mean sea level (amsl) at the western site limits, to 280 feet at the eastern limit. The Property is a flat terrace of former river deposits. No structures are located on the site, other than an administration building/scalehouse for the mining operation. Other improvements include the operating infrastructure for the aggregate operation, including a network of roadways. The local land use is shown in Figure 4.

2.4 AGGREGATE RESOURCES

2.4.1 Use and Need for Aggregates

Sand, gravel and crushed stone are referred to as "aggregates." These basic raw materials are the first step in the construction process, and are used in a large variety of products. Aggregates are required for making Portland Cement Concrete and asphaltic concrete, two essential substances for building and maintaining our public and private infrastructure. Buildings, homes, hospitals, roads, airports, shopping centers, sewer and stormwater systems all depend on aggregates. Between 40 and 60 percent of all aggregates are used in public works projects. Sand, gravel and stone comprise nearly 90 percent of the materials needed to build federal, state, and local roads.

2.4.2 State and Local Planning

Because it is a low-value, high bulk weight commodity, a major part of the cost of aggregate to the consumer is for transportation. In fact, transportation cost is the principal constraint defining the market area for a specific production region. Transportation cost is a significant part of the final delivery price. In areas lacking nearby aggregate sources, delivery charges may be greater than the sale price of the material at the plant site. This is a key factor underscoring the economic importance of
maintaining local aggregate sources.\textsuperscript{1} Since much of the statewide use of aggregates is for public works projects, each doubling of the price of the construction aggregate materials means fewer public improvements (e.g., roadway maintenance projects and public building construction) can be accomplished for each public dollar\textsuperscript{2}.

The economic importance of locally available construction materials sources is recognized by the State of California, as articulated in SMGB guidelines and employed in provisions of the State Geologist to identify and plan for aggregate resources throughout the state.

\subsection*{2.4.3 50-Year Reserve Planning}

The SMGB has established guidelines for the classification and designation of mineral lands throughout the state. The California Surface Mining and Reclamation Act (SMARA) of 1975 mandated initiation of Mineral Land Classification by the State Geologist to help identify and protect mineral resources that may be subject to urban expansion or irreversible land uses which would preclude mineral extraction. SMARA also allowed the SMGB, after receiving classification information from the State Geologist, to designate lands containing mineral deposits of regional or statewide significance.

The State Geologist, in preparing Mineral Land Classification Reports, prepares an estimate of the total quantity of construction aggregate that will be needed to supply the requirements of the county or marketing region for the next 50 years. A marketing region is defined as the area within which such material is usually mined and marketed. The amount of construction aggregate needed for the next 50 years is projected using past consumption rates adjusted for anticipated changes in population. These estimates are periodically reviewed.

\subsection*{2.4.4 Alameda Creek-Sunol Valley Resource Area}

The Mineral Land Classification for the South San Francisco Bay Production-Consumption Region, published by the California Department of Conservation, Division of Mines and Geology in 1996, classifies aggregate resource areas in the

\textsuperscript{1} California Department of Conservation, Division of Mines and Geology, 1996. \textit{Update of Mineral Land Classification: Aggregate Materials in the South San Francisco Bay Production-Consumption Region, California}. OFR 96-03.

\textsuperscript{2} California Construction and Industrial Materials Association.
Alameda Creek-Sunol Valley Resource Area as MRZ-2a for construction aggregates. This study evaluated the aggregate production and potential of the Alameda Creek Area, including the SMP-30 site, based upon field and laboratory data and a field examination.

For a mineral deposit to be considered significant and therefore eligible for MRZ-2a classification, it must meet criteria established by the SMGB for material quality, marketability, and economic value.

This State report classifies the site as MRZ-2a for construction aggregates. Mineral Resource Zone 2a is specifically defined as:

Areas underlain by mineral deposits where geologic data indicate that significant measured or indicated resources are present. MRZ-2 is divided into MRZ-2a and MRZ-2b on the basis of degree of knowledge and economic factors. Areas classified MRZ-2a contain discovered mineral deposits that are either measured or indicated reserves as determined by such evidence as drilling records, sample analysis, surface exposure, and mine information. Land included in MRZ-2a is of prime importance because it contains known economic mineral deposits.

The resources identified on the Project site are considered by the State to be excellent potential aggregate sources for use in both ready-mix concrete and asphaltic concrete product. The Division of Mining and Geology updated its report in a 1996 publication and a 2006 update of Map 52.

2.4.5 Site Investigations and Resources

Investigations have been completed to evaluate the volume and quality of aggregate materials that could continue to support site development of a commercial mining operation. The assessment included drilling and trenching for sample collection throughout portions of the property. The results confirmed that the aggregate resources meet the quality requirements and specifications for use in public works construction projects and in making ready-mix Portland cement concrete and asphaltic concrete products.

Data points (drilling and trenching) distributed throughout the property reveal that, although materials vary in a manner typical of alluvial aggregate deposits, they are relatively uniform in terms of the size distribution and quality. Most drilling depths extended between 30 and 375 feet below ground surface.
3.0 PROPOSED MINING AND RECLAMATION ACTIONS

SMP-30 has been an aggregate production facility for decades. The Revised Use Permit simply expands upon the template of historical and ongoing operations. An adjacent unused parcel will be added to the facility, enabling increased lateral and vertical recovery of available aggregates.

Because the existing template of operations includes an established plant site and all utilities and other ancillary activities necessary for operations, little site preparation is needed. However, the following will be necessary:

- Relocation of an overhead power line in the parcel expansion area;
- Relocation of a 36" water line;
- Installation of a slurry cutoff wall along Alameda Creek and San Antonio Creek;
- Use of native plants to minimize visual impacts from Calaveras Rd.; and
- Revegetation of stream banks along reaches of Alameda Creek and San Antonio Creek.

Analysis and investigations are ongoing as to the appropriate design for implementation of an effective slurry cutoff wall.

3.1 LAND USE

The Property is an active aggregate operation and water storage basins will continue to be such, both during and after the completion of surface mining operations.

Lands affected by mining would be reclaimed to some open space/agricultural land, but primarily water basins. Land surfaces would be reclaimed with topsoils. Water surfaces would provide for water management, with large storage volume that will increase the capacity for water storage and distribution.
3.2 PROJECT BOUNDARY

The Project boundary was established based on lands under ownership. It is intended that the site contain sufficient acreage such that the mineral reserves could support a predictable permitted long-term operation. The site boundary is shown on Figure 5. Mine and Reclamation Plan data is shown in Table 2, “Mine and Reclamation Plan Data.”

3.2.1 Reserves

A mining area is delineated within the site that provides sufficient reserves within the Project (over 60 million tons (MT)) to support an average annual production of 2.0 million tons of aggregate for 30 years. Actual production rates will vary, largely dependent upon aggregate consumption demands in the regional markets, and a maximum production of 3.0 MT/year is therefore planned; although the mining rate would not exceed 3.0 MT in any year, it could in some years be substantially less than the proposed maximum annual production.

3.2.2 Environmental Resources, Surrounding Properties, and Setbacks

Specific mine boundaries were set, based on established requirements for the site, including:

- A 100-foot mining setback is established from Alameda Creek;
- A 250-foot mining setback from Calaveras Road; and
- A minimum 50-foot setback from San Antonio Creek.

3.3 MINING OPERATIONS

3.3.1 Types of Operations and Equipment

The operation will generally involve excavation using conventional mining practices common to the industry, including crushing, screening, washing, and transport of processed materials off-site. Mining activities are initiated with removal of soil and overburden (i.e., material that lies above the marketable material) using dozers and scrapers. Marketable sand and gravel deposits below would be loaded by excavators in on-road haul trucks or scrapers and hauled to the processing plant or to a nearby conveyor. Other equipment, such as motor graders and bulldozers would be used to develop side slopes and implement other tasks.
Mining is planned as a continuous activity. The slope lay-back and deepening on the South Basin would proceed concurrent with completion of backfilling of the East Basin with process fines. Mining would then proceed northerly into the location of the Plant Site, after backfill placed into the South Basin accumulates sufficient for relocation of the plant to that surface (see Mine Plan, Sheet 2). A cross-section depicting the configuration of quarried slopes and backfilled areas is shown in Figure 6, "Mine Plan Cross-Sections." The basin would be excavated with side slopes of 2:1 (2 horizontal to 1 vertical) and would have a maximum depth of about 400 feet.

**Equipment**

The types of mobile equipment and/or machines to be employed are typical excavation equipment, such as a dozer, self-loading scraper, front-end wheel loader, motor grader, conveyers, haul trucks, and hydraulic excavator. A water truck would be used to control dust. The specific model of vehicles used would vary somewhat over time depending on availability and the introduction of new models to suit different conditions.

A mobile fuel and lubrication truck would be used to service vehicles on-site. The fuel/lube truck can carry a limited amount of petroleum products, is equipped with automatic shut-off valves to prevent spills, and also carries appropriate absorbent materials to contain and recover spillage. An approved Spill Prevention, Control, and Countermeasures (SPCC) Plan would guide reporting, control, and cleanup activities in the event of a spill in the quarry or other operating areas.

### Table 2

**MINE AND RECLAMATION PLAN DATA**

<table>
<thead>
<tr>
<th>OPERATIONAL ACTIVITIES</th>
<th>Description/Parameters/Assumptions¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mining</td>
<td>Excavation using dozers and scrapers above water table. Continued use below water table, via dewatering or use of alternate equipment (e.g., excavator or dragline).</td>
</tr>
<tr>
<td>Processing</td>
<td>Aggregate processing plant; asphalt batch plant; concrete batch plant; and recycling.</td>
</tr>
<tr>
<td>Reclamation</td>
<td>Basins for water management.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MINE AND RECLAMATION DATA</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Volume</td>
<td>Up to 3.0 million tons</td>
</tr>
<tr>
<td>Maximum Annual Mine Production</td>
<td></td>
</tr>
</tbody>
</table>
### Design/Operating Characteristics

<table>
<thead>
<tr>
<th>Maximum Annual Plant Production/Sales</th>
<th>Description/Parameters/Assumptions¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rock Crushing</td>
<td>3 MT/year</td>
</tr>
<tr>
<td>Asphaltic Concrete</td>
<td>1.0 MT/year</td>
</tr>
<tr>
<td>Ready-Mix Concrete</td>
<td>250,000 cy/year</td>
</tr>
<tr>
<td>Baserock and Aggregate Products</td>
<td>1.5 to 2.0 MT/year</td>
</tr>
<tr>
<td><strong>Total Production² (mined)</strong></td>
<td>60 million tons</td>
</tr>
<tr>
<td><strong>Waste in Processing</strong></td>
<td>20 percent; approximately 13.2 million cubic yards (MCY)</td>
</tr>
</tbody>
</table>

### Mine Excavation Dimensions

| Approximate Maximum Length | 4,300 feet |
| Approximate Maximum Width³ | 4,200 feet |
| Maximum Depth              | 400 feet bgs |

### Reclaimed Site

**Site Acreages**
- Total Lease Area: 381 acres
- Reclaimed Area (Land Surface): 202 acres
- Reclaimed Area (Water Surface): 179 acres
- Water Storage Capacity: 27,000+/- AF

**Operations Area and Acreages**
- Total Area: 275 acres
- Reclaimed Area (Land Surface): 96 acres
- Reclaimed Area (Water Surface): 179 acres

### Notes:

1. All values approximate.
2. Total aggregate for the proposed 30-year life of the permit. Mining and reclamation may be completed within a shorter timeframe depending on market demand for the product.
3. Measured at the widest point.

### 3.4 PROCESSING OPERATIONS

#### 3.4.1 Hours of Operation, Work Force, and Production Rate

Operations are planned to typically occur 6 days/week. Operations will take place on weekdays and Saturdays, typically during the hours shown in Table 3, “Hours of Operation.” Sunday operations would occur as necessary to meet project requirements.

<table>
<thead>
<tr>
<th>Operations</th>
<th>Proposed Hours¹,²</th>
</tr>
</thead>
<tbody>
<tr>
<td>QUARRY OPERATIONS</td>
<td>Up to 24-hours/day, Monday through Saturday</td>
</tr>
<tr>
<td>Excavating, loading, initial screening, hauling aggregate to the plant site, pumping of water, hauling and placement of waste fines</td>
<td>Occasional Sunday operations as necessary for project requirements</td>
</tr>
</tbody>
</table>

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¹² Benchmark Resources
### 3.0 Proposed Mining and Reclamation Actions

#### 3.4.2 Plant Site Locations and Layouts

The Existing Plant Site encompasses 22 acres and is located adjacent to the East Basin. As future production levels grow, the plant is expected to use approximately 50 acres in this area. An expanded Plant Site layout is shown in Figure 7, “Expanded Plant Site.” The Expanded Plant Site would continue to use the existing ingress/egress point.

At the point that enough fill is produced to construct a long-term Plant Site, the Plant would be relocated, and the Basin would be expanded beneath the former “Existing/Expanded Plant Site.” The long-term plant site components are shown schematically on Figure 8, “Long-Term Plant Site.” A new ingress/egress point would be opened to access the Plant. The approximately 50-acre site is intended to provide adequate space for production of aggregates and asphalt and ready-mix products. Recycling of aggregates from construction demolition work is also provided, as the crushing and processing equipment would exist for this use, and aggregate recycling is an efficient use of otherwise wasted materials that would consume landfill space. Recycled Asphalt Products (RAP) can comprise approximately 15 percent of the design mix for asphalt. Recycled concrete can comprise 10 percent of concrete ready-mix products.

#### 3.4.3 Aggregates Production

SMP-30 has a history of aggregate production for construction materials. The Revised Use Permit proposes addition of an asphalt batch plant and a concrete batch plant. With these added components, it is possible that SMP-30 may increase its annual volume of extracted materials to nearly 3 million tons per year, as follows:

- 1.5 to 2.0 million tons of saleable aggregate and
- 1.0 to 1.5 million tons of aggregate to be used in the production of asphalt and/or concrete.
Concrete and asphalt from demolition would be recycled at the site using the same equipment, as available from planned operations. Recycled Asphalt Products (RAP) can comprise approximately 15 percent of the design mix for asphalt. Recycled concrete can comprise 10 percent of concrete ready-mix products.

**Aggregates**

The raw materials from the excavation areas will be elevated to the large surge pile from which material will travel to a conveyor that will feed a primary screen and crushers. Materials will continue to travel through one or more wet and dry screens and secondary crushers until the various components meet specifications for different uses of sand products, washed concrete aggregates, and pavement aggregates. The materials will then be conveyed to individual stockpiles for shipment or used in the on-site batch plants.

Under the current SMP-30 permit conditions, total aggregate reserves are estimated to be approximately 14 million tons. The proposed modifications (58 additional surface acres and increasing the depth of excavation to a minimum of 225 feet and up to approximately 400 feet) would maximize sand and gravel production from the quarry up to approximately 60 million tons of saleable aggregate. Limited volumes of materials generated from SFPUC Water System Improvement Program (WSIP) construction work may be delivered to the Plant for use in processing.

Annual production will continue to be highly dependent upon market demand for these products by the construction industry.

**3.4.4 Aggregate Products**

**Asphaltic Concrete**

Asphalt is a composite material commonly used in construction projects such as road surfaces, airports, and parking lots. It consists of asphalt cement and mineral aggregate mixed together and heated.

The proposed asphalt batch plant at SMP-30 will use on-site aggregates mixed with imported asphalt cement. The processed aggregate materials will be stacked near the batch plant to an approximate height of 50 feet. From there, the material will go into the batch plant for production of asphalt. The batch plant facilities would include:
- Incline conveyors to move raw materials from the stockpiles to the batch plant,
- A feeder assembly with bins that hold different sizes and types of aggregate materials,
- A drum mix assembly, which dries and heats aggregates by tumbling it through hot air, then moves it to a mixer where it is coated with heated asphalt cement and thoroughly mixed,
- Once mixed, the asphaltic concrete is moved into silo towers for temporary asphalt storage prior to loading the material into trucks.
- There will also be scales to weigh the trucks.

The batch plant will include heated and insulated asphalt oil storage tanks, a heating oil system, and a fuel tank for equipment. Emissions controls will include an exhaust vent and a separator to separate dust from the gas stream. The emission control system traps and removes fine sand and dust particles and returns them to the mix. There will also be a blue smoke control system. As proposed, the asphalt batch plant would be a maximum of 65 feet in height. However, the associated service platform on top of the silos would extend the height to approximately 95 feet.

It is estimated that the asphalt batch plant may produce up to 1.0 million tons of asphaltic concrete per year, including recycled asphalt products.

**Ready-Mix Concrete**

Concrete is a construction material composed of cement (commonly Portland cement), aggregate (gravels or crushed rocks), fine aggregate such as sand, water and chemical admixtures. Concrete solidifies and hardens after mixing with water due to a chemical process known as hydration. The water reacts with the cement, which bonds the other components together, eventually creating a stone-like material. Concrete is used to make pavements, pipe, architectural structures, foundations, roads and bridges, parking structures, brick walls and structural footings. Ready-mix concrete is concrete that is specifically manufactured for delivery to a construction site in a freshly mixed and unhardened state. Ready-mix concrete can be custom-made at a batch plant to suit different applications and then delivered to a work site by truck mixers.

The planned concrete batch plant will use on-site aggregates mixed with water, Portland cement, and other imported materials. The raw aggregate materials will be stockpiled near the plant to an approximate height of 50 feet. From there, the material will go into the plant for production of concrete. The concrete facilities would include:
3.0 Proposed Mining and Reclamation Actions

- The processed aggregate material is delivered by front-end loader or conveyor from the quarry plant to the concrete batch plant,
- An incline conveyor would move raw materials from the stockpiles to the batch plant’s elevated bins,
- From the bins, the materials would be fed by gravity into weigh hoppers which combine the proper amount of each material based on a pre-defined recipe dependent upon the intended use,
- Sand, aggregate, cement, and water are then all gravity fed from the weigh hopper into mixer trucks, and the concrete is mixed with water on the way to the site where the concrete is to be poured. Alternatively, water may be added to the mixture prior to feeding into the mixer truck.

The concrete batch plant would be approximately 100 feet in height. It is estimated that the plant may produce up to 250,000 cubic yards of mixed concrete per year.

3.4.5 Ancillary Facilities and Utilities

Stationary equipment and structures would be located at the plant site, including administrative offices, a quality control laboratory, and maintenance shop. An equipment maintenance and fuel storage site would service on-site equipment and fuel trucks for off-site deliveries. Tanks for diesel, oil, and hydraulic fluids would be sited in this area. Other on-site facilities would include an office, scale house, and diesel fuel storage tanks located in the processing area. A waste fines dewatering and compaction facility/process would be used as part of the Plant processing and placement of backfilled fines in a stable configuration.

Trucks and other mobile equipment would be run on diesel and gasoline. Diesel and gasoline fuels would be stored on-site in aboveground tanks on an impervious surface with secondary containment, as required by prevailing regulations.

Process water used to wash excavated materials will be recycled via a closed-circuit recirculation system. Once sufficient groundwater is exposed in the excavation phases, supplemental water will be pumped from the excavated basins. Any additional water needs would be satisfied from the SFPUC.

Domestic water is supplied as bottled water. Power for stationary equipment and buildings is from PG&E transmission lines that exist at the site. Equipment that runs on natural gas or propane is supplied from existing transmission lines or propane service.
Sewage disposal for employees is provided via a holding tank that gets pumped on a regular basis by with a contracted service.

3.4.6 Waste Fines

Not all materials in alluvial deposits have economic uses. Silts and clays (fines) cannot be used as construction aggregates, and are not part of asphaltic or ready-mix concrete products. In fact, State specifications specifically limit the amount of incidental fines allowed in product mixes. As such, waste fines are a necessary by-product of all aggregate operations, and must be placed in a location convenient to the processing operation. Historical on-site operations discharged these fines into a former excavated basin as a wet slurry.

The planned expanded operation will move to a system of stacking and compacting waste fines to backfill a portion of the South Basin in a manner that minimizes the space needed. A waste fines dewatering and compaction facility/process would be used as part of the Plant processing and placement of backfilled fines in a stable configuration. This will be accomplished as the South Basin is developed to its design depth at the southern limits. Fines would be stacked to a specified height. When enough area is developed, the backfill material would support location of the long term plant site.

The quantity of waste fines generated is a function of the alluvial geology, but averages 20 percent of the total materials at this site, which is typical. The total quantities generated are directly proportional to the quantity of material mined and processed. When the South Basin is fully excavated to its depth of 400 feet bgs, it is estimated that about 13.2 MCY of fines would remain and be placed in the backfill. While fines could be used in limited circumstances for construction fill projects, such projects are highly dependent on timing and location, and the volumes are relatively limited. As such, any use would be limited and would not be expected to affect the overall magnitude of fines to be placed on the site.

3.5 RECLAMATION

SMARA requires mines to be reclaimed to a usable condition that is readily adaptable for a productive alternative land use that does not endanger public health or safety. A Reclamation Plan has been submitted as part of the application materials in compliance with SMARA. Because the Revised SMP-30 project increases the surface disturbance area, increases the depth, and clarifies the site end use, it is considered a "substantial deviation" of the previously approved reclamation plan pursuant to CCR §3502(4)(d). As such, the proposed revision includes updating the reclamation plan to incorporate
current reclamation standards”, including, but not limited to the Reclamation Standards under CCR §3700, et seq.

The areal extent of this operation has largely been established from historical development and is near final lateral dimensions, with the exception of the slope “lay-back” that will occur along the eastern rim. Excavation to the depth of the floor would occur such that conversion to the reclaimed use in a “phased” manner is not possible, especially given that the post-mining use is water storage, which cannot occur in a basin being actively mined. When the maximum floor depth is reached, and the working areas are no longer needed for mining or processing operations, the basins can be made available for water management. Proposed reclamation is shown on Figure 9, “Reclamation Plan,” and Figure 10, “Reclamation Plan Cross-Sections.” The plan provides for a site that is suitable for post-mining water storage and distribution. Following the completion of mining and reclamation activities, equipment associated with mining and processing would be removed from the site, including, but not limited to: office buildings, scalehouse and scale, screens, conveyors, and related processing equipment.

The reclamation design is for managed water storage facilities under the SFPUC’s Watershed Management Plan. Site infrastructure needed and consistent with this use would remain following mining, including fencing, ingress/egress, and the on-site road network. The array of power lines and pipelines that traverse the property will be unaffected by mining and reclamation. The landscaped visual screening berm, to be constructed along the Calaveras Road frontage from SFPUC WSIP project spoils, will remain.

The removal, handling, and replacement of soil to be used in reclamation would be accomplished in accordance with State Mine and Geology Board reclamation performance standards.

### 3.6 FINANCIAL ASSURANCE

SMARA requires surface mining operators to obtain lead agency approved financial assurance for the reclamation of mined lands, so the public would not bear the cost of reclaiming abandoned operations. In the event of financial incapability by the operator, the financial assurance funds would be used by the lead agency (or the California Department of Conservation) to reclaim the mined site and to ensure that mine operations comply with the approved reclamation plan. A financial assurance would
be established for the first phase and would continue to be reviewed annually, and revised in accordance with SMARA requirements.
1. **Future Hiking Trail** in accordance with Sunol Valley Resource Management Element of the SFPUC Watershed Management Plan. Alignment is conceptual, only.

2. Slurry cut-off walls shown in accordance with the SFPUC requirements. Locations are conceptual; analyses and investigations are ongoing for design and implementation.
See Figure 5 for Mine Plan Cross-Section Locations
DATA SOURCE: CALKINS Engineers and Contractors (07-2010)
Phasing and Reclamation Plan

Reclamation Plan Notes:

Reclamation Objectives (CCR §6530(a))

The reclamation plan establishes the objectives of the reclamation project, including the following:

- Removal of contaminated materials and restoration of the site to acceptable standards.
- Prevention of erosion and sedimentation.
- Protection of water quality and fish and wildlife habitats.
- Enhancement of public access and recreational opportunities.

Topographic Configuration and Surface Treatment (CCR §6773(b)(6) and CCR §6703(a))

The reclamation plan includes a detailed topographic map of the site, including contour lines and breaks in slope. Surface treatments such as grading, seeding, and mulching are also specified.

Cut and Fill Slope Stability (CCR §6776(c))

Slope stability analyses are performed to ensure that the reclaimed site is stable and safe. The analyses consider factors such as soil type, slope angle, and terrain.

Site Preparation (CCR §6776(c) and Reclamation Code (CR))

Site preparation includes activities such as clearing, grading, and preliminary erosion control measures. The site is prepared to accommodate the reclamation activities.

Phasing and Reclamation Plan

Revised Lease Boundary
Revised Operations Boundary
Landscape
Water Line
Maintenance Roads
Water Storage
Revegetation
Erosion Control Greenery

CONTOUR INTERVAL: 1'-0"  (Topographic Scale: Texas Tech, 2011)
See Sheet 4 for CRP-REH-039-SECTIONs

Sheet 3
Exhibit D
Conditions of Approval – Revised Surface Mining Permit & Reclamation Plan for SMP-30
[Attached]
EXHIBIT “F”

CONDITIONS OF APPROVAL

REVISED SURFACE MINING PERMIT & RECLAMATION PLAN for SMP-30
SUNOL VALLEY AGGREGATE MINE
OLIVER de SILVA, INC. (Permittee)

These Conditions replace and supersede all Conditions for SMP-30 as approved by Alameda County pursuant to Resolution No. 92-32 for the Santa Clara Sand and Gravel Company, November 16, 1992 and/or all Conditions for other former Surface Mining Permits at this quarry as issued by Alameda County.

General

1. Until such time as the approvals and executed agreements listed below have been fully completed, surface mining operations, reclamation and grades shall continue to be conducted in substantial conformance with the various maps, information and recommendations labeled: “Exhibit A”, being the maps labeled “Plot Plan & Cross Sections for Surface Mining Permit, Santa Clara Sand & Gravel Company, as approved by the Planning Commission on July 7, 1986”; “Exhibit B”, being the applications dated May 23, 1986; “Exhibit C”, being the maps labeled “Site Plan”, (Sheet 1), dated January 2, 1991 and “Reclamation and Revegetation Plan” (Sheet 2), dated October 1990, Santa Clara Sand & Gravel Company, and “Exhibit D” being the application dated November 13, 1990; and any and all Conditions for SMP-30 as approved by Alameda County pursuant to Resolution No. 92-32 for the Santa Clara Sand and Gravel Company, November 16, 1992 (SMP-30). Approvals and executed agreements necessary prior to these Revised SMP-30 Conditions of Approval included herein taking effect are the following:

   a. Approval and issuance of Revised SMP-30 Surface Mining Permit by Alameda County,

   b. Approval of the Revised SMP-30 Lease by the San Francisco Public Utilities Commission and the City and County of San Francisco Board of Supervisors, and

   c. The execution of a revised Lease for Revised SMP-30 by and between Oliver de Silva, Inc. and the San Francisco Public Utilities Commission.

2. Upon completion of all approvals and executed agreements identified in Condition 1 above, surface mining operations, reclamation and grades shall be in substantial conformance with the various maps, information, recommendations and agreements labeled:

   a. Surface Mining Permit Map (Sheet 1), dated August 26, 2011;

   b. Site Conditions (Sheet 2), dated August 26, 2011;

   c. Mine Plan (Sheet 3), dated August 26, 2011;

   d. Phasing and Reclamation Plan (Sheet 4), dated August 26, 2011;

   e. Revised SMP-30 Application, dated August 30, 2011; and

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1 As used in these conditions, “Permittee” shall also be defined as “Operator” as has been used in certain Surface Mining and Reclamation Act correspondence and reporting, and/or “Applicant” as has been used for certain CEQA documentation purposes.
f. Conservation Plan for Sunol Quarry SMP-30 Site, A Conservation Plan by Oliver de Silva, Inc. to Enhance the Biological Resources of the Sunol Quarry SMP-30 Project Area in Alameda County, California, December 15, 2008.

3. Surface mining operations and the Reclamation Plan shall conform to the Alameda County Surface Mining Ordinance (ACSMO) except as may hereinafter be more specifically provided.

4. The Permittee shall furnish the Community Development Director with a report describing compliance with these conditions by July 16 of each year, beginning July 16, 2013. With each report, the Permittee shall provide a map at the same scale as the approved Mining and Reclamation Plans, showing current progress of mining and reclamation; drainage, erosion and sedimentation control facilities to be provided and those already in place; landscaping installed during the reporting period and the condition of all prior landscaping.

   a. The Community Development Director shall review the report and inspect the mining operations to determine and assure continuing compliance with the regulations of the ACSMO. The Permittee shall make available to the Community Development Director such information as necessary for determination of compliance.

   b. The Community Development Director shall state the findings of the inspection in a final report that shall be made available to the public. One copy of said report shall be sent to the Planning Commission and the Permittee within 45 days after the inspection.

5. At approximately five year intervals after approval of Revised SMP-30 beginning on or about July 16, 2017, the Planning Commission shall review compliance with the Revised SMP-30 Surface Mining Permit and Reclamation Plan, and consider any new or changed circumstances that should be accommodated by the permit or plans. The review shall include a public hearing by the Planning Commission. Permittee shall pay actual cost of reviews. As a result of this process, the Planning Commission may modify the Mining or Reclamation Plan or guarantees thereof to conform to the ACSMO, and such modified permit or plan shall be binding upon the operation.

6. If problems develop regarding mining or reclamation as may be determined by the Planning Director, Permittee shall take corrective action with all due haste, in good faith. Permittee shall implement solutions as approved by the Planning Director.

7. The Permittee shall provide a written statement that they accept responsibility for reclaiming the site as indicated on the approved Mining and Reclamation Plan, and shall guarantee all reclamation in accordance with said plan. Said responsibility shall run with the land under permit as a covenant thereupon until release of the covenant is recorded by Alameda County.

8. The Permittee shall guarantee timely performance of reclamation requirements of the Alameda County Surface Mining Ordinance and these conditions of approval by providing a mechanism for financial assurance of reclamation as described in, and in accordance with, Surface Mining and Reclamation Act (SMARA) and the Alameda County Surface Mining Ordinance. The mechanism shall be of sufficient value to cover the full costs of reclamation in any specific year for which it is calculated, and may take any form acceptable within the requirements of SMARA, including but not limited to escrow accounts, trust accounts, performance / surety bonds and/or Irrevocable Letters of Credit.

9. The Permittee shall pay an administrative fee as required by Section 6.80.242 of the Alameda County Health and Safety Code, Surface Mining Ordinance Code.

10. The Permittee shall pay to the County of Alameda reasonable and actual costs incurred by the County for review, approval administration and monitoring of all programs, including inspections required
pursuant to these Conditions. This may require the hiring of additional personnel on either a part-time or full-time basis. The Community Development Director is hereby expressly authorized to utilize his own employees, other agencies, and/or private consultants, as necessary, to conduct such reviews, inspections, and administration, and to make necessary approval determinations. The Permittee shall be notified prior to any unusual or extraordinary expenditure of funds.

11. Permittee shall maintain the $5,000 cash bond with Alameda County to clean up any spillage that may occur on, or repair any extraordinary deterioration to the County haul routes lying between the site and I-680. Said bond is to be replenished to its full amount when it diminishes to $2,000.00. A certificate of deposit may be utilized in lieu of a cash bond subject to approval of the Community Development Director.

12. Permittee shall contribute to the costs of reconstructing and widening Calaveras Road when determined necessary by the Community Development Director. Costs will be shared proportionately by other quarries that gain access from Calaveras Road based on use.

13. This Surface Mining Permit shall terminate July 16, 2042 or upon completion of reclamation, whichever comes first, and final reclamation shall occur not later than two years after completion of the surface mining. Permittee shall notify the Community Development Director upon completion of mining. All stockpiles and equipment shall be removed from the site upon completion of reclamation. This permit shall be subject to revocation or suspension as specified in Section 8-121.2 of the ACSMO.

14. The end use of the site upon complete reclamation is hereby assumed to be water management, water storage and recreational trails. Any other use must be approved by the County of Alameda.

15. Permittee shall submit a copy of the lease agreement with the San Francisco Water Department to the Alameda County Community Development Agency.

16. In addition to the conditions specified herein, the Permittee shall implement all conservation strategies including avoidance, minimization and mitigation measures as specifically described in the Conservation Plan for Sunol Quarry SMP-30 Site as prepared by and between Oliver de Silva, Inc., the Alameda Creek Alliance and the Center for Biological Diversity intended to protect and enhance the biological resources in the vicinity. Implementation of all Conservation Plan strategies as contained in that Plan are hereby made conditions of approval for the Revised SMP-30 permit.

17. Commencing ten (10) days after the “Approval” of Revised SMP-30 ², the Permittee shall pay the total sum of $50,000 per year to a Community Improvement Fund established by the County of Alameda for the benefit of Sunol. These payments shall be made and adjusted as follows: the annual payment amount shall begin at $50,000 per year with no adjustment for a period of five years; increased by two percent (2%) per year for years six through ten; and commencing on the tenth anniversary of Approval of Revised SMP-30, adjusted annually by the increase (if any) of the Consumer Price Index – All Urban Consumers (or equivalent substitute index) during the immediate preceding year. The purpose of the Community Improvement Fund will be to enhance the community environment of Sunol though projects initiated by the community that will enrich and enhance the

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² As used in this condition, “approval” shall include approval and issuance of Revised SMP-30 Surface Mining Permit by Alameda County, approval of the Revised SMP-30 Lease by the San Francisco Public Utilities Commission and the City and County of San Francisco Board of Supervisors, the execution of a revised Lease for Revised SMP-30 by and between Oliver de Silva, Inc. and the San Francisco Public Utilities Commission; and the receipt of any other federal, state or local permits, agreements, contracts, certifications, entitlements or other approvals reasonably necessary for the development, construction and operation of Revised SMP-30.
environment for the residents of Sunol. The Sunol Citizens' Advisory Committee (SCAC) will facilitate implementation of the Community Improvement Fund program by overseeing the application process, evaluating proposals for funding and making recommendations to the County based on Alameda County-established criteria and guidelines. All proposals reviewed by the SCAC and submitted to the County shall be placed before the Board of Supervisors for its final determination.

18. The Permittee shall defend, indemnify, and hold harmless Alameda County or its agents, officers or employees from any claim, action or proceeding against Alameda County, or its agents, officers or employees to attach, set aside, void, or annul this Surface Mining Permit including any amendments thereto, or underlying environmental documents and actions taken pursuant to the California Environmental Quality Act, Alameda County Surface Mining Ordinance, the California Surface Mining and Reclamation Act, other County Ordinance requirements, and any combination thereof. Such indemnification shall include but not be limited to any such proceeding. If permittee shall fail to adequately defend the County of Alameda, the County may provide its own legal defense and permittee shall be responsible for the County's reasonable attorney's fees.

Prior to or During Site Preparation and Construction Activities

For purposes of the following conditions, the following activities are specifically defined as either site preparation and/or construction activities as opposed to on-going quarry operations:

- removal of vegetation (including trees), topsoil and overburden from areas previously undisturbed by mining activity
- removal and relocation of utility lines and water transmission lines
- Grading, construction of platforms and other surfaces, as well as the construction of new on-site equipment (e.g., the new asphalt plant, concrete batch plant, clarifiers, etc.),
- Installation of slurry walls,
- Removal and/or construction of new structures (e.g., offices, truck scales, quality control labs, etc.), and/or
- Grading and paving of new roads and on-site circulation routes.

19. The fence installed at least five feet beyond the drip line of the oak tree located immediately south of the existing entrance road to the quarry along Calaveras Road shall be maintained to preserve and protect the tree from disturbance from equipment and stockpiles, and soil within this fenced area shall not be disturbed.

20. The removal of vegetation and overburden from the 58-acre expansion site shall occur no more than one month prior to commencement of excavation and raw aggregate harvesting activities from the expansion of the quarry pit into this area. Alternatively, if vegetation and overburden removal is to occur more than one month prior to excavation, the Permittee shall take measures such as watering the soil or applying soil binders or chemical stabilizers, as approved by the Community Development Director to control dust during the stripping and subsequent transporting of the overburden and topsoil.

21. Not more than one week prior to tree removal or removal of any abandoned structure, a County-approved qualified biologist (i.e., one familiar with the identification of bats and signs of bats) shall survey the tree or structure to be removed in the Project area for the presence of roosting bats. Bats may be present any time of the year. The biologist shall thoroughly search trees or structures that
provide appropriate habitat (trees with foliage or cavities or that are hollow) for the presence of roosting bats or evidence of bats.

a. If no roosting bats or evidence of bats are found, the removal of trees or structures may proceed.

b. If bats are found or evidence of use by bats is present, the biologist shall map and mark the tree or structure with flagging. The Permittee shall ensure that the trees or structures are not removed until the CDFG has been consulted for guidance on measures to avoid and minimize disturbance of the special-status bats. Measures may include monitoring trees or structures and excluding bats from a tree or structure until it is removed and/or timing tree or structure removal and use of a construction buffer to avoid disturbance of young before they are able to fly.

22. At the beginning of each workday that includes initial site preparation and/or construction activity as defined above, a USFWS- and CDFG-approved biologist shall conduct on-site monitoring for the presence of California tiger salamander and California red-legged frog in the area where ground disturbance shall occur, as follows:

a. Exclusion fencing shall be inspected to ensure it does not have any tears or holes, that the bottoms of the fences are still buried, and that no individuals have been trapped in the fences.

b. Any California tiger salamander and California red-legged frog along and outside the fence shall be closely monitored until they move away from the construction area.

c. All open trenches or holes and areas under parked vehicles shall be checked for the presence of California tiger salamander and California red-legged frog.

d. All excavated or deep-walled holes or trenches greater than 2 feet in depth shall be covered at the end of each workday using plywood or similar materials, or escape ramps shall be constructed of earth fill or wooden planks. Before such holes are filled, they shall be thoroughly inspected for trapped animals.

e. Project personnel shall be required to immediately report any harm, injury, or mortality of a special-status species during construction (including entrapment) to the construction foreman or biological monitor, and the construction foreman or biological monitor shall immediately notify the Permittee. The Permittee shall provide verbal notification to the USFWS Endangered Species Office in Sacramento, California and/or to the local CDFG warden or biologist (as applicable) within one working day of the incident. The Permittee shall follow up with written notification to the USFWS and/or CDFG (as applicable) within five working days of the incident. All observations of federally and state-listed species shall be recorded on CNDDDB field sheets and sent to the CDFG by the Permittee or representative biological monitor.

f. While it is not necessary that the biological monitor stay on-site for the entire day, the monitor shall remain on-call in case any of these animals are discovered and it is necessary to move them. The Permittee shall designate a representative as the point of contact in the event that a California tiger salamander or California red-legged frog is discovered on-site when the biological monitor is not present.

g. If the biological monitor or construction personnel find any of these species within the work area, construction activities shall cease in the immediate vicinity of the individual until: (1) the USFWS and/or CDFG are contacted and/or the animal has been removed from the construction area, in accordance with permits, by a USFWS- and CDFG-approved biologist.
and released near a suitable burrow or other suitable habitat within 0.25 mile of the construction area, or (2) the animal moves away from the construction area on its own.

h. Once all initial ground-disturbing activities are completed, the biological monitor shall perform spot checks of the Project area at least once a week for the duration of construction (as defined above) to ensure that any exclusion fencing is in good order, trenches are being covered if left open overnight (or escape ramps provided), Project personnel are conducting checks beneath parked vehicles prior to their movement, and all other required biological protection measures are being followed.

23. The Permittee shall ensure that the following general measures are implemented as part of any new construction (as specifically defined above) to minimize or avoid impacts on biological resources:

a. Minimize the extent of the construction disturbance as much as feasible.

b. Prior to the start of construction, the Permittee in coordination with a qualified biologist, shall install 4-foot tall fencing at the limits of construction and outside the driplines of all trees to be retained that are located within 50 feet of any grading, road improvements, underground utilities, or other construction activity. A qualified biologist and Permittee must approve any encroachment into these fenced areas. The Permittee shall maintain the temporary fencing until all construction activities are complete. No construction activities, parking, or staging shall occur within the fenced areas.

c. At individual construction sites (not the quarry pit) where excavations require dewatering, the intakes shall be screened with a maximum mesh size of 5 millimeters.

24. The Permittee and the County shall re-assess the Landscape Planting, Irrigation and Maintenance Plan required pursuant to the 1992 SMP-30 Conditions of Approval for the landscape buffers along Calaveras Road to determine what additional plantings are necessary to achieve the condition’s objectives of visually filtering and softening views of the site. The Permittee shall prepare a detailed landscape and planting plan for the Calaveras Road landscape buffers which shall include provisions for additional tree plantings consistent with the following measures:

a. The visual screen shall be dense enough to filter views from Calaveras Road;

b. Trees shall be planted subject to the approval of the Community Development Director;

c. There shall be a preference for native species. Different species or tree placement schemes may be used if approved in writing by the Community Development Director; if alternative species are selected, they shall be non-invasive.

d. Trees shall not interfere with water or electrical transmission lines;

e. A monitoring plan with an implementation schedule shall be prepared and submitted to the Community Development Director for approval within 180 days of approval of Revised SMP-30, including SFPUC lease approvals. The plan shall include the provision that the successful growth and health of trees shall be monitored by the Community Development Agency during their annual review and five year review, or as needed to ensure its success as a visual filter. If proved unsuccessful, then Permittee shall replant with the same or different species as approved by the Community Development Director.

On-going During Mining and Processing Operations

25. It is understood that approval of this Surface Mining Permit enables the Permittee to operate (i.e., to extract and harvest raw material; to process such material into saleable aggregate, concrete and
Setbacks

26. No future mining excavations shall occur in any closer proximity to Alameda Creek or San Antonio Creek than the existing (July 2012) edge of the quarry slope, as shown on the most recently available aerial photographs (photos dated October 11, 2011).

27. The existing barrier fence along San Antonio Creek shall remain in place throughout the active mining phase. The barrier fence shall have a limited number of access points and personnel shall be informed by the permittee that the 50-foot buffer zone shall not be entered except as approved by the County of Alameda.

28. Mining shall not occur within 250 feet from the edge of the quarry slope to the edge of travel way on Calaveras Road.

29. A setback of not less than 50 feet from the edge of the quarry slope to all buried utilities and pipelines shall be maintained.

30. A setback of 100 feet, or no closer than existing setbacks where such existing setbacks may be less than 100 feet, shall be provided from the top of the quarry slope to the transmission tower foundations. Alameda County Community Development Agency shall monitor the stability of the slopes in their annual review, or as needed.

31. A setback of 25 feet shall be provided and maintained from the top of the quarry slope to the southern boundary of the site adjacent SFPUC properties.

32. The permittee shall obtain PG&E’s written consent to any development plans that may have an impact on PG&E’s easements.

33. No trees shall be planted under San Francisco Water Department or PG&E’s transmission lines or within 50 feet of the center line of water transmission lines.

Excavation and Slope Design

34. Recommendations contained in the Berlogar Stevens Associates' *Geotechnical Investigation, Amended Reclamation Plan for the Sunol Quarry (SMP-30), Calaveras Road, Sunol, California* for Oliver De Silva, Inc., dated May 25, 2012 (Berlogar, 2012) shall be incorporated into the Project. Permittee may request modification of these gradients at any time during the term of the permit. The request shall explain the reason for the proposed change and shall, at a minimum, be accompanied by:

a. evidence that the property owner agrees with the proposed changes; and

b. an engineering and geotechnical report that demonstrates that the new slope gradients will be safe, stable and otherwise consistent with the intent, standards and requirements of the ACSMO.

c. The Community Development Director, after consultation with the Public Works Agency, may modify these gradients consistent with the ACSMO.

35. To enhance slope stability, all roads and benches on the quarry slopes shall not be formed by cutting into the permanent quarry slopes unless otherwise approved by the Community Development Director.
36. A qualified professional shall inspect the stability of cut slopes and fill slopes constructed for roads. Inspections shall take place either annually, or as deemed necessary by the Community Development Director.

37. The Permittee shall repair or otherwise remedy identified problems including those identified during the annual and five year review of the Surface Mining Permit, such as recurring slope stability problems or the need for slope maintenance on- or off-site. Should any problems develop regarding slope stability, erosion control, ground water or related matters, an engineering geologist shall prepare an investigation detailing the problem and possible solutions to be approved by the Community Development Planning Director.

Safety Precautions

38. An annual fire plan shall be prepared and filed with the State Division of Forestry to mitigate fire hazards.

39. The Permittee shall engage a Fire Protection Engineer to perform a Code analysis and submit a Comprehensive Fire Protection Plan for the proposed Project for review by the County Fire Marshall. The submittal shall include an evaluation of the Project's compliance with the Uniform Fire Code requirements relating to storage of hazardous materials (including aboveground tanks), the need for fire suppression system, alarm systems, storage of flammable or combustible materials, containment basins around hazardous materials, and compliance with hazardous materials regulations. Hazardous materials at the proposed asphalt plant shall be specifically considered in the review.

40. If substantial groundshaking occurs at the site during an earthquake, the Permittee shall inspect the quarry for potential slope failures prior to allowing employees to resume work in the quarry pits.

41. Prior to construction of any structures intended for human occupancy (i.e., expected to be occupied for more than 2,000 person-hours per year) within the Alquist-Priolo zone, a detailed geologic investigation of the structure location shall be prepared by a geologist registered in the State of California. This report shall address the potential for surface fault displacement at the structure site, based on a geologic investigation designed to identify the location, recent activity and nature of faulting that may have affected the structure site in the past and may affect the structure site in the future. If, based upon the findings of the geologic investigation, the site of the proposed structure is underlain by an active fault trace, the structure shall be located at least 50-feet away from such an active fault trace.

42. Stockpiles shall be managed such that they do not become over-steepened or undercut, and the faces of stockpiles shall be maintained to prevent steep, high faces from forming. Where front-end loaders have to carry out undercutting in front of high faces, a cab should be fitted to enclose an operator overhead and on at least three sides.

43. The Project shall not include any underground storage tanks, and only above-ground storage tanks that have been approved by the U.S. EPA shall be used for storing petroleum products and other regulated substances. Any new above-ground tanks shall be double walled and meet all ballistic and flame impingement requirements in CFC Article 79. The containment structures shall not be equipped with any valves or drains.

44. All delivery, maintenance, and repair trucks containing petroleum products will be required to comply with the California Department of Transportation’s regulations for transport of hazardous materials. All trucks carrying petroleum products shall be equipped with quick-connect couplings and automatic shut-off valves to prevent spills. Trucks shall carry appropriate absorbent materials to contain and recover spillage, or such materials shall be available on site.
45. The Permittee shall not allow trucks to be sprayed with diesel fuel or any other petroleum hydrocarbon-containing liquid as a means to prevent asphalt from sticking to the beds of the truck beds. Suitable bio-degradable surfactants may be utilized by the truck operators, if desired. The County’s annual inspections and review shall ensure that soil contamination has not occurred at the site due to spraying of truck beds with diesel fuel or other petroleum hydrocarbon-containing liquids.

46. The Project site equipment and servicing materials shall be maintained in a neat and orderly manner to aid in accounting for and detecting potential sources of contamination;
   a. Non-functional equipment, scrap metal, construction debris, used batteries and tires, and similar objects shall be removed from the site on a regular basis and disposed of at appropriately licensed facilities;
   b. Best Management Practices specific to the storage of spare equipment such as heavy equipment parts, conveyor belts, tires and other replacement or extra equipment pieces, shall be established pursuant to the Project’s NPDES General Mining Permit to ensure that runoff from storage areas does not result in surface water contamination. Spare parts containing petroleum products (i.e., lubricants, hydraulic oil, etc.) shall be stored using Best Management Practices (BMPs) to prevent contamination of soil or storm water runoff; and
   c. Storage areas shall be inspected by the Permittee monthly. Any petroleum leaks shall be documented and cleaned up. Leaking equipment shall be repaired. Inspection and monitoring documentation shall be retained for a minimum of five years and be available to County staff during site inspections.

47. The perimeter of the property shall be fenced and the fence shall be maintained in good condition. A fence along the boundary of Alameda Creek shall be installed following lease approval by the SFPUC.

48. No explosives shall be used.

Visual Quality

49. Height of stockpiles throughout the permit boundaries shall be restricted to 50 feet.

50. The Permittee shall retain a professional lighting consultant to design a lighting plan for the site. The lighting plan shall ensure that night time lighting and security lighting is placed so that it is no higher than necessary to illuminate the area of security concern, and the lighting shall be directed toward the area. Under no circumstances shall areas beyond the Project site boundaries be directly illuminated nor shall general lighting radiate above the horizontal, but shall be shielded to illuminate only the area of concern.
   a. Any lighting placed on areas nonessential for security or active operations shall be placed on a motion detector circuit so illumination only occurs as necessary.
   b. Any lighting for operations in the quarry pit shall be placed as low into the pits as possible.
   c. Monitoring shall include occasional inspection of night time conditions by County staff to ensure that lighting is directed toward the area of concern and that areas beyond the site boundaries are not directly illuminated
   d. The Permittee shall immediately respond to complaints about excessive night lighting.

51. Upon the SFPUC’s completion of the placement of “spoils material” landform berms along the edge of Calaveras Road within the Revised SMP-30 site, the Permittee shall retain a professional
agronomist or qualified landscape architect to recommend detailed methods and specifications of revegetation of these landform berms.

a. The berm revegetation and planting plan shall be approved by the Community Development Director and monitored by the County during the annual or five-year review, or as needed.
b. Revegetation of the landscape berms shall be completed within five (5) years of completion of the berm construction by the SFPUC and any and all necessary regulatory permits have been obtained.
c. The Permittee shall guarantee vegetation establishment during a period of five years.

**Air Quality**

52. The Permittee shall implement measures such as watering the soil or applying soil binders or chemical stabilizers, as approved by the Community Development Director to control dust.

53. All surface mining and processing operations emitting smoke, vapors, dust and other airborne contaminants shall be provided with all necessary control measures and devices as required by the Alameda County Health Care Service Agency and the Bay Area Air Quality Management District to prevent the occurrence of nuisance and undue pollution of the air.

54. The driver of a weighed vehicle, loaded beyond current State of California maximum legal weights, shall be notified by the Permittee and required to reduce the load to the legal limit. If loaded materials are subject to dust generation, Permittee is responsible for requiring drivers to moisten loads. Moistening facilities shall be conveniently located and maintained on site. All loaded vehicles shall be required to pass over a material shakedown area with berm, bumper or ditches provided. The permittee shall require all vehicle permittees to have noise attenuating mufflers as required by the State of California Vehicle Code. Signs notifying drivers of these requirements shall be posted at the scale location. Drivers not cooperating with this provision shall be prohibited from hauling materials from the site.

55. New cut slopes shall be watered as they are created to the extent necessary to minimize dust. Main access roads shall be paved with asphalt for a minimum width of 25 feet from County roads to within 100 feet of the loading point. All other haulage roads and loading areas within the site shall be paved or watered to be maintained in a dust-free condition, as may be determined by the Community Development Director.

**Noise**

56. Engines on dirt moving equipment used for surface mining operations shall be equipped with mufflers, and no muffler or exhaust system shall be equipped with a cutout, bypass, or similar device intended to thwart noise suppression.

**Traffic and Circulation**

57. The new southern driveway intersection must meet Calaveras Road at grade.

58. The area around the new southern driveway intersection shall be kept free of visual obstructions such as tall landscaping and signage, which would obstruct line of sight for drivers exiting the site.

a. Vegetation fronting the site along Calaveras Road shall be trimmed as necessary to allow at least 550 feet of sight distance, which is the minimum corner sight distance required per the California Highway Design Manual.
b. The location of the southern driveway may shift north or south along Calaveras Road to best accommodate the required sight distance.

c. If necessary to improve sight lines at the intersection, the elevation of the southern driveway approach to Calaveras Road shall be raised to reduce the grade difference.

59. The Permittee shall maintain stop signs at all exits to County roads. The Community Development Agency will continue to monitor whether trucks are stopping before exiting the site onto Calaveras Road. If, in consultation with the Public Works Agency, the Community Development Director determines the condition is hazardous, then a program to find additional ways to stop trucks other than the existing stop sign will be developed and implemented by the Permittee and approved by the Community Development Director to remedy the situation.

60. If a hiking trail is accommodated on site during mining operations, it shall follow a western trail alignment along Alameda Creek rather than an eastern alignment along Calaveras Road as the western alignment provides less pedestrian/vehicle conflict points.

61. Due to the presence of recreational cyclists along Calaveras Road, the Permittee shall install “Share the Road” signs in conjunction with Bicycle Warning signs along Calaveras Road and on the Project site driveways to warn drivers to watch for bicyclists, who generally travel at slower speeds. Placement of these signs shall be determined by the Community Development Director in consultation with the County Public Works Department.

62. The Permittee shall prepare and deliver a driver education program to employees and truck drivers, making them aware of the use of Calaveras Road by recreational bicyclists, the legal rights of bicyclists using the roadway, reminding them of the rules of the road prohibiting crossing the double yellow line to pass bicyclists, and required safe passing distance from bicyclists. Educational materials may include pamphlets handed to all truck drivers entering the site, signs posted near the exit driveway, and other potential measures that may be identified.

63. The Permittee shall sponsor a bicyclist education and outreach effort, potentially conducted through local recreational and racing clubs whose members regularly ride Calaveras Road. This effort may include, but is not limited to use of available educational curricula sponsored by the East Bay Bicycle Coalition and Silicon Valley Bicycle Coalition, reminding bicyclists how to operate legally and safely when operating in mixed traffic flow.

64. The Permittee shall work with Alameda County to develop and install signing improvements along Calaveras Road in accordance with the Alameda County Bicycle and Pedestrian Master Plan for Unincorporated Areas.

65. Consistent with current practice and requirements, the Permittee shall commit to clearing spilled debris and oil as needed, related to quarry truck movements on the section of Calaveras Road between I-680 and the SMP-30 driveway(s).

66. The Permittee shall coordinate with the County and the SFPUC (as may be needed outside of the road right-of-way) to provide for trimming brush and tree limbs near the sides of the road, to maximize sight distance, and preserve maximum available roadway width and narrow shoulder width for bicyclists for the section of Calaveras Road between I-680 and the Project driveway(s).

**Water and Septic**

67. A potable water supply and adequate toilet facilities shall be provided for employees according to requirements of the Alameda County Health Care Services Agency.
Water Quality and Drainage

68. No discharge of turbid water or pollutants shall be permitted off site from the active quarry area. All process waters shall be retained and/or recycled on site. All runoff from active quarry areas and exposed slopes shall be diverted to a settling pond for re-use with no discharge to the creek. Rising groundwater encountered in active excavation pits shall be returned to a process or settling pond and not be discharged into the creek. Rising groundwater that does not exceed the turbidity of background levels as measured in the creek upstream of the quarry may be discharged to the creek. Dikes, levees, or other barriers shall be maintained to prevent silting of creeks and drainage channels by any surface mining operation.

69. Changes in drainage and/or sedimentation control facilities shall be submitted in advance to Alameda County Flood Control and Water Conservation District for approval.

70. Project site is within Special Drainage Area 7-1 and is subject to conditions imposed at the time of issuance of building permits.

71. Any work within creek areas will require a Streambed Alteration Agreement with the California Department of Fish and Game.

72. Runoff from the intercepted drainage area east of Calaveras Road shall be picked up and transported around the site or otherwise controlled to the satisfaction of the Flood Control District.

73. The Permittee shall be responsible for obtaining any necessary amendments and/or updates to the currently applicable NPDES permit for water management within the Project.

74. Free movement of groundwater through the site in present quantities, as detectable in filter galleries of San Francisco Water Department, shall not be impeded by mining or reclamation activities.

75. Work within or adjacent to a watercourse shall require a permit from Alameda County Flood Control and Water Conservation District pursuant to the Watercourse Protection Ordinance (Chapter 13.012 of the Alameda County Code of Ordinances).

Cultural Resources

76. If cultural material is uncovered during earth removal, including removal of topsoil or overburden, work within 10 meters shall cease until the find can be examined by a qualified professional and his or her recommendations are followed, subject to approval by the Planning Director. If human remains are uncovered, the Coroner shall be called.

77. The Permittee shall provide a Worker Cultural Resources Awareness Training Program prior to construction to assist in worker compliance with cultural resource identification and protection procedures. The training will provide illustrations and/or photographs of common types of historic and prehistoric artifacts that may be encountered during construction activities, and a protocol to be followed in the event of an unanticipated discovery of archaeological materials and/or human remains.

78. Should any previously unknown historic or prehistoric resources be discovered during ground-disturbing activities, ground disturbance within 100 feet of these resources shall be stopped until a professional archaeologist meeting the Secretary of the Interior’s Standards has an opportunity to evaluate the significance of the newly discovered resource.

   a. If a find is determined to not be potentially significant by the consulting archaeologist, construction activities within the area can continue.
b. If a find is determined to be potentially significant by the consulting archaeologist, a mitigation plan meeting State requirements will be developed and implemented in consultation with the lead agency. If the resource cannot be avoided, a data recovery plan, aimed at collecting sufficient data to address prehistoric or historic research questions, will be prepared and carried out.

c. A professional technical report detailing the data recovery methods and results, and a discussion of the findings in terms of the research questions provided in the data recovery plan will be prepared by the consulting archaeologist.

d. All collected prehistoric and historic artifactual material will be curated at a qualified curation facility. Copies of field notes, and other relevant documentation, will also be provided with the artifact collection.

e. All prehistoric and historic discoveries will be documented on appropriate Department of Parks and Recreation forms (Form DPR 523) and filed with the NWIC.

79. In the event that Native American human remains or funerary objects are discovered, the provisions of the California Health and Safety Code should be followed. Section 7050.5(b) of the California Health and Safety Code states that all excavation or disturbance of the site or nearby area cease, and that the coroner of the county in which the human remains are discovered should be contacted. If the remains are determined by the coroner to be Native American, the coroner must contact the NAHC. The NAHC will assign a Most Likely Descendant, who will make recommendations regarding the treatment of the remains.

Biological Resources and Wildlife

80. A qualified professional familiar with native plant community enhancement shall recommend a native tree and shrub planting enhancement plan for the entire bank area of San Antonio Creek on both sides of the Creek between Calaveras Road and Alameda Creek, and for the entire bank area of Alameda Creek on both sides of the Creek between San Antonio Creek and the site’s southern boundary as defined pursuant to the SFPUC lease. The enhancement plan should be based on a preliminary survey of relatively undisturbed segments of San Antonio Creek east of the project site on the San Francisco Water Department’s watershed land. The riparian community shall be self-supporting and composed of native vegetation appropriate for the region, to the extent feasible. Tree selection and density should be able to accommodate the variety of mammal and bird species that still move along these travel routes.

a. The planting plan shall be approved and monitored by the Community Development Directory during the annual or five-year review, or as needed.

b. Revegetation of both banks shall be completed within two years of approval of the Revised SMP-30 permit, final lease approval by SFPUC and/or final approval of the Sunol Valley Restoration Plan.

c. The Permittee shall guarantee tree and shrub establishment for five years.

81. The Permittee shall ensure that the following general measures are implemented as part of quarry operations to minimize or avoid impacts on biological resources:

a. Project-related vehicles shall observe a 15-mile-per-hour speed limit on unpaved roads in the work area, or as otherwise negotiated with the applicable regulatory agencies.

b. The Permittee shall provide closed garbage containers for the disposal of all food-related trash items (e.g., wrappers, cans, bottles, food scraps). All garbage shall be collected daily.
from the Project site and placed in a closed container, from which garbage shall be removed weekly.

c. Construction personnel shall not feed or otherwise attract fish or wildlife in the Project area.

d. No pets or firearms shall be allowed in the Project area.

e. Staging areas shall be located at least 50 feet from aquatic areas.

f. If vehicle or equipment fueling or maintenance is necessary, it shall be performed in designated staging areas.

Conditions Specific to Each Annual Review

82. Upon approval of the Project, the Permittee shall initiate implementation of a NOx Monitoring and Reduction Plan (NOx Plan).

a. Throughout the first year of operation and then subsequently throughout each following year, the Permittee shall prepare an annual audit of the total aggregate, concrete and asphalt production from the Project. Based on that audit, the Permittee shall prepare a calculation of all Project-related NOx emissions from all Project sources including the aggregate plant, the concrete plant, the asphalt plant, on-site off road equipment and mobile sources (i.e., haul trucks). This calculation shall be used to compare the Project's actual annual NOx emissions, as a net increase over the baseline emissions established in the EIR, to the applicable significance threshold.3

i. Beginning in the first year (through June 2013), if the total annual aggregate production rate does not exceed 1.5 million tons, the threshold for NOx emissions is not expected to be exceeded and no further emission calculations or mitigation would be required for that year.

ii. In subsequent years, new emission standards promulgated by the US EPA and California Air Resources Board are expected to result in a substantial reduction in NOx emissions from the on-road truck fleet. With implementation of ARB emission standards by year 2016, if the annual total annual aggregate production rate does not exceed 2.25 million tons, the threshold for NOx emissions are not expected to be exceeded and no further emission calculations or mitigation would be required for that year.

iii. With implementation of ARB emission standards by year 2020, the thresholds for NOx emissions is not expected to be exceeded even at 3.0 million tons of total aggregate production per year (the Project maximum), and no further emission calculations or mitigation would be required.

b. If the Project's NOx emissions, measured as the net increase over the EIR-established baseline, exceed the applicable threshold, the NOx Plan shall demonstrate how the Project

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3 At the time of preparation of the EIR, the significance threshold used was 10 tons/year for NOx emissions. This threshold was used in the County's EIR based on guidance form the BAAQMD CEQA Guidelines, which are the subject of legal challenge as of May 2012. If this threshold is subsequently adjusted upwards (i.e., more permissive), then the threshold against which subsequent annual reviews shall be compared shall similarly be adjusted. Otherwise, the threshold used in the EIR shall remain in effect for the Project.
will reduce or off-set those net emissions exceeding the threshold. Reductions may be achieved by any combination of, but not limited to the following:

i. replacing or retrofitting engines for on-site rolling stock or haul trucks,

ii. reducing overall production rates at the Project site so as to not exceed the threshold,

iii. providing off-site compensation by reducing NOx emissions elsewhere in the air basin as a “credit” against project emissions, and/or

iv. purchasing NOx offset credits. For example, the Permittee could off-set their emissions through the Bay Area Air Quality Management District’s (Air District) Carl Moyer Memorial Air Quality Standards Attainment Program (CMP) or other Air District emission reduction incentive programs. Under this example, the Permittee would provide funding for the emission reduction projects in an amount up to the emission reduction project’s cost-effectiveness limit set by the California Air Resources Board (ARB) for the CMP during the year that the emissions from material hauling are emitted, and the funding would be used to fund projects eligible for funding under the CMP guidelines or other Air District incentive programs meeting the same cost-effectiveness threshold that are real, surplus, quantifiable, and enforceable.

c. The NOx Plan will be submitted to the Alameda County Community Development Agency on an annual basis.

d. Upon County approval of the NOx Plan, the Permittee shall implement specified measures as necessary.

83. Upon approval of the Project, the Permittee shall initiate implementation of a Stationary Source GHG Monitoring and Reduction Plan (SS GHG Plan).

a. Throughout the first year of operation and then subsequently throughout each following year, the Permittee shall prepare an annual audit of the total throughput of asphalt through the plant. Based on that audit, the Permittee shall prepare a calculation of all stationary source emissions of GHGs from the drum mixer and the hot asphalt oil heater. This calculation shall be used to compare the Project’s actual annual stationary source GHG emissions to the applicable significance threshold.4

i. If the total annual throughput of asphalt does not exceed 750,000 tons per year, the threshold for stationary source GHG emissions is not expected to be exceeded and no further emission calculations or mitigation would be required for that year.

b. If the Project’s stationary source GHG emissions, measured as the net increase over the EIR-established baseline, exceed the applicable threshold, then the SS GHG Plan must demonstrate how the facility will reduce or offset those net emissions exceeding the threshold. Reductions may be achieved by any combination of, but not limited to the following:

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4 At the time of preparation of the EIR, the significance threshold for stationary source GHG emission was 10,000 MT CO2e per year. This threshold was used by the County in the EIR based on BAAQMD CEQA Guidelines, which are the subject of legal challenge. If these thresholds are subsequently adjusted upwards (i.e., more permissive), then the threshold against which subsequent annual reviews shall be compared to shall similarly be adjusted. Otherwise, the thresholds used in the EIR shall remain in effect for the Project.
i. limiting total asphalt production at the plant to levels that would not result in exceeding the threshold,

ii. achieving on-site reductions in emissions through such means as more energy-efficient equipment, production of on-site sustainable energy or use of cleaner burning (i.e., bio-diesel) fuels.

iii. providing off-site compensation by reducing GHG emissions elsewhere as a “credit” against project stationary source emissions, and/or

iv. purchasing offsetting “carbon credits” as an off-site compensation. For example, the Permittee may be able to offset their emissions through a Bay Area Air Quality Management District (Air District) grant program whereby the funding would be used to fund projects eligible for funding under the program’s guidelines meeting the same cost-effectiveness threshold that are real, surplus, quantifiable, and enforceable.

c. The SS GHG Plan will be submitted to the Alameda County Community Development Agency on an annual basis.

d. Upon County approval of the SS GHG Plan, the Permittee shall implement specified measures as necessary.

84. Upon approval of the Project, the Permittee shall initiate implementation of a Mobile Source GHG Monitoring and Reduction Plan.

a. Throughout the first year of operation and then subsequently throughout each following year, the Permittee shall prepare an annual audit of the total aggregate, concrete and asphalt production from the Project. Based on that audit, the Permittee shall prepare a calculation of all Project-related mobile source GHG emissions from all Project sources including the aggregate plant, the concrete plant, the asphalt plant, on-site off road equipment and mobile sources (i.e., haul trucks). This calculation shall be used to compare the Project’s actual annual mobile source GHG emissions, as a net increase over the baseline emissions established in the EIR, to the applicable significance threshold.  

b. If the Project’s mobile source GHG emissions, measured as the net increase over the EIR-established baseline, exceed the applicable threshold, the Mobile Source GHG Plan shall demonstrate how the Project will reduce or offset those net GHG emissions exceeding the threshold. Reductions may be achieved by any combination of, but not limited to the following:

i. achieving on-site reductions in emissions through such means as more energy-efficient equipment, production of on-site sustainable energy or use of cleaner burning (i.e., bio-diesel) fuels,

ii. providing off-site compensation by reducing GHG emissions elsewhere as a “credit” against project mobile source GHG emissions, and/or

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5 At the time of preparation of the EIR, the significance threshold used was 1,100 metric tons CO2e per year. This threshold was used in the County’s EIR based on guidance from the BAAQMD CEQA Guidelines, which are the subject of legal challenge as of May 2012. If this threshold is subsequently adjusted upwards (i.e., more permissive), then the threshold against which subsequent annual reviews shall be compared shall similarly be adjusted. Otherwise, the threshold used in the EIR shall remain in effect for the Project.
iii. purchasing off-setting "carbon credits" as an off-site compensation. For example, the Permittee may be able to off-set their emissions through a Bay Area Air Quality Management District (Air District) grant program whereby the funding would be used to fund projects eligible for funding under the program's guidelines meeting the same cost-effectiveness threshold that are real, surplus, quantifiable, and enforceable.

c. The Mobile Source GHG Plan shall be submitted to the Alameda County Community Development Agency on an annual basis.

d. Upon County approval of the Mobile Source GHG Plan, the Permittee shall implement specified measures as necessary.

85. As part of the regular inspection of the quarry required under the Surface Mining Permit the Public Works Agency will annually inspect the pavement condition of Calaveras Road between the quarry access and the I-680 ramps. Required repairs will be identified by the County. The Permittee shall contribute to the cost of maintaining, repairing, strengthening, or reconstructing the subject segment of Calaveras Road, if the County inspection shows a need for such pavement improvements. Participation by Permittee in the cost of such pavement improvements shall be in proportion to the percentage of heavy truck traffic on Calaveras Road contributed by the quarry operations as compared to the total traffic on the road, and 100 percent towards any road damage directly attributed to the operations.

86. Based on the recommendations of the Project geologists, an annual review of the stability of cut slopes is recommended to determine if exposed conditions indicate that the proposed quarry slopes should be modified.

Conditions Specific to Phase II Operations

87. A noise survey shall be conducted within 30 days after the plant site and its processing facilities have been moved to the south. At that time, with the final plant layout in place, a determination shall be made as to whether or not additional noise barriers or other noise control measures for the equipment are required to reduce noise levels at affected sensitive receptors to acceptable levels (i.e., to 50 dBA in the daytime and 45 dBA at nighttime), and the exact locations and types of noise control measures, as may be needed, shall be determined.

88. The method to be used to mitigate Phase II noise impacts shall be noise barriers. Normally, noise barriers are located close to, or on the equipment itself. Typically, the barriers are wood, metal, or quilted noise control blankets. Sometimes, material stockpiles can also be used as a noise barrier.

89. During Phase II, which assumes only one access point to/from the site, consider keeping the existing driveway as a secondary access for emergency vehicles only.

90. Upon initiation of Phase II of the Project's operations the Permittee shall initiate implementation of a Toxic Air Contaminant Monitoring and Reduction Plan (TAC Plan).

a. Throughout the first year of Phase II operations and then subsequently throughout each following year, the Permittee shall prepare an annual audit of the total aggregate, concrete and asphalt production from the Project. Based on that audit, the Permittee shall prepare a risk assessment for lifetime cancer risk for a lifetime resident from all Project sources including the aggregate harvesting operations, aggregate plant, the concrete plant, the asphalt plant, on-site off road equipment and mobile sources. This risk assessment calculation shall
be used to compare the Project's actual incremental lifetime cancer risk, as a net increase over the baseline risk established in the EIR, to the applicable significance threshold.  

b. If risk assessment indicates that the Project's net increase in incremental health risk exceeds the applicable threshold, the TAC Plan shall demonstrate how the Project will reduce emissions to below the threshold level. Reductions may be achieved by any combination of, but not limited to the following:

i. replacement or retrofit of engines used in one of the two scrapers, such that they meet a minimum of US EPA Tier 4 interim emissions standard, or

ii. replacement or retrofit of engines used on other on-site rolling stock, such that they meet a minimum of US EPA Tier 4 interim emissions standard and result in maintaining risk levels below the applicable standards, or

iii. reducing overall production rates at the Project site so as to not exceed the threshold.

c. The TAC Plan shall be submitted to the Alameda County Community Development Agency on an annual basis.

d. Upon approval, the Permittee shall implement specified measures as necessary.

91. To prevent the inundation of the processing area and the potential release of hazardous materials to water in the basin (once the processing area is relocated to the south end of the mining basin at an elevation of 220 ft. msl) due to a 100-yr storm event, one or more of the following measures shall be taken:

a. Bulk storage for Portland cement, asphalt oil, fuels, and other chemicals shall be maintained outside of the basin perimeter. Only those materials needed for daily operations shall be stored and maintained in the processing area once it is relocated to the south end of the basin. If reliable weather predictions call for the potential for a 100-year storm event, or a series of events that could potentially yield equivalent flood flows, then all hazardous materials shall be removed from the processing area; or

b. The processing area should not be relocated to the south end of the basin until sufficient excavation has been completed such that the basin volume below the elevation of the processing area (approximately 220 ft. msl) is greater than at least 6,000 acre-feet. At a volume of 6,000 acre-feet, the basin would be capable of holding the total volume of water that could potentially enter the basin during a 100-year storm, without overtopping into the processing area.

6 At the time of preparation of the EIR, the significance threshold used was 10 excess incremental cancer risks per million people. This threshold was used in the County's EIR based on guidance from the BAAQMD CEQA Guidelines, which are the subject of legal challenge as of May 2012. If this threshold is subsequently adjusted upwards (i.e., more permissive), then the threshold against which subsequent annual reviews shall be compared shall similarly be adjusted. Otherwise, the threshold used in the EIR shall remain in effect for the Project.
Conditions Pursuant to the Reclamation Plan

Concurrent Reclamation Activity

Although mining and processing operations are planned as a continuous activity throughout the site and opportunities for concurrent reclamation are limited, the following concurrent reclamation activities shall occur:

92. Mining operations shall be conducted in such a manner that the South Basin quarry pit and the North Basin wash water pond can be converted to use for SFPUC water storage at any period of operations, although the reclamation goal is to maximize water storage capacity by expanding and deepening the quarry pit to the maximum allowed under the Revised SMP-30 permit.

Post-Mining Reclamation Activity

93. Unless further revised, this Surface Mining Permit shall terminate July 16, 2042 or upon completion of reclamation, whichever comes first. The following post-mining reclamation activities shall occur not later than two years after completion of surface mining.

94. Upon completion of mining and processing operations at the Project site and pursuant to implementation of the Reclamation Plan, all mobile equipment associated with mining, any conduits and wiring not used as part of the ultimate Reclamation Plan, and stationary structures and foundations at the processing plant (including the scale and administration buildings), shall be removed.

95. Upon completion of mining and processing operations at the Project site and pursuant to implementation of the Reclamation Plan, all hazardous materials and above ground storage tanks shall be removed and the site shall be cleaned of hazardous material.
   a. Prior to closure of any above ground storage tank used to hold hazardous material, the Permittee shall obtain a tank closure permit from the County DEH and shall comply with all applicable tank closure guidelines.
   b. The Permittee shall obtain a closure permit for all above ground hazardous materials storage facilities.
   c. Fuel tanks and other hazardous materials containers shall be transported by licensed haulers to an approved disposal or recycling facility in accordance with all applicable laws and regulations.
   d. Any reported releases of hazardous substances which may have occurred during Project operations shall be fully remediated according to the corrective actions proscribed by the identified lead agency, and a case closure letter from the lead agency obtained.

96. Site preparation and reclamation of on-site roads shall occur as follows:
   a. Surfaces created by mining (i.e., the North Basin and the South Basin) are intended to accommodate subsequent land use as managed water storage reservoirs for use by the San Francisco Public Utilities Commission (SFPUC). No revegetation within these basins shall occur, as vegetated surfaces would be contrary to the intended post-reclamation use.
   b. The East Basin (used as a settling basin during mining and processing operations) shall be backfilled as necessary to match existing grade.
   c. Areas surrounding the basins shall be scarified and de-compacted as necessary for revegetation and to control erosion into the water storage reservoirs.
d. Main roads used to access the site shall remain at the conclusion of mining operations to facilitate use and management of the post-reclamation water storage reservoirs.

97. Erosion control facilities shall be constructed as required. Temporary measures such as silt fences, berms, hay bales or similar means to deter erosion may be employed as necessary at locations of identified concern depending upon the final configuration of the grading work and roadways.

98. Detailed methods and specifications of revegetation and restoration of the site shall be prepared by a professional agronomist and submitted for approval by the Community Development Director before being implemented by the Permittee.
   a. All final reclaimed banks and bare soil areas shall be planted with native grassland grass and forb species to the extent feasible in order to reduce erosion.
   b. A qualified professional familiar with native grassland re-establishment shall recommend a seed mix, rates and methods of application, preparation of soil, and the best time of year for planting.

99. The success of revegetation effort shall be as specified on the Phasing and Reclamation Plan (Sheet 4) for Revised SMP-30, shall be guaranteed by the Permittee and shall be achieved prior to release of revegetation financial assurances, and shall include:
   a. The amount of vegetation cover (75%) and density,
   b. plant health,
   c. natural reproduction (if pure live seed falls below 80%, seeding rates shall be increased), and
   d. species diversity (minimum of two species)

100. The Permittee shall implement the following measures to prevent the spread of new populations of noxious weeds and invasive plants, and to reduce existing infestations in the quarry to the extent feasible:
   a. Inactive, disturbed areas shall be seeded to reduce the potential for the spread and establishment of noxious weeds and invasive plants.
   b. Seed mixtures shall be certified weed-free.
   c. Only introduced materials that are free of noxious and invasive plants shall be accepted.
   d. Where feasible, perimeter roads shall be graded and kept clear to maintain a buffer along property lines as an additional means to contain the spread of noxious weeds.

101. The Permittee shall evaluate the success of revegetation treatments and refine the Reclamation Plan as necessary to achieve the success ratios specified. Existing information about plant species diversity at the site shall be used as baseline information to compare reclamation success.
   a. Test plots consisting of planted surfaces shall be used to confirm that the recommended application rates and specific seed mix meets the intended surface stabilization goals for erosion control and the revegetation success rates.
   b. The re-application of topsoil and revegetation process shall be inspected by a qualified professional during site reclamation.
   c. The Community Development Director shall monitor the revegetation as part of the annual review, or as needed. The success of revegetation shall be evaluated and determined by the County.
Exhibit E
Mitigation Monitoring and Reporting Plan (MMRP)
Revised Surface Mining Permit & Reclamation Plan for SMP-30

[Attached]
### Aesthetics

#### Impact Aesthetics-4: Light and Glare. The Project would introduce new sources of light which could substantially and adversely affect nighttime views in the area.

**MM Aesthetics-4: Light and Glare, Night Lighting.** The Permittee shall retain a professional lighting consultant to design a lighting plan for the site. The lighting plan shall ensure that night time lighting and security lighting is placed so that it is no higher than necessary to illuminate the area of security concern, and the lighting shall be directed toward the area. Under no circumstances shall areas beyond the Project site boundaries be directly illuminated nor shall general lighting radiate above the horizontal, but shall be shielded to illuminate only the area of concern.

- a) Any lighting placed on areas nonessential for security or active operations shall be placed on a motion detector circuit so illumination only occurs as necessary.
- b) Any lighting for operations in the quarry pit shall be placed as low into the pits as possible.
- c) Monitoring shall include occasional inspection of night time conditions by County staff to ensure that lighting is directed toward the area of concern and that areas beyond the site boundaries are not directly illuminated.
- d) The Permittee shall immediately respond to complaints about excessive night lighting.

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<th>Mitigation Measures</th>
<th>Mitigation Action</th>
<th>Monitoring Responsibility</th>
<th>Timing</th>
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<td>Permittee to prepare and submit lighting plan to County</td>
<td>Community Development Director to verify lighting plan achieves stated objectives</td>
<td>Prior to installing new lighting at the site</td>
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#### Cumulative Impact Aesthetics-5: Implementation of the Project, combined with other past, present, existing, pending and reasonably foreseeable projects could result in significant adverse changes to scenic resources and in the scenic character of the area.

**MM Aesthetics-5: Calaveras Road Landscape Plan.** The Permittee and the County shall re-assess the Landscape Planting, Irrigation and Maintenance Plan required pursuant to the 1992 SMP-30 Conditions of Approval for the landscape buffers along Calaveras Road to determine what additional plantings are necessary to achieve the condition’s objectives of visually filtering and softening views of the site. The Permittee shall prepare a detailed landscape and planting plan for the Calaveras Road landscape buffers which shall include provisions for additional tree plantings consistent with the following measures:

- a) The visual screen shall be dense enough to filter views from Calaveras Road;
- b) Trees shall be planted subject to the approval of the Community Development Director;
- c) Monitoring shall include occasional inspection of night time conditions by County staff to ensure that lighting is directed toward the area of concern and that areas beyond the site boundaries are not directly illuminated;
- d) The Permittee shall immediately respond to complaints about excessive night lighting.

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<td>Permittee to prepare and submit a detailed landscape and planting plan, and a monitoring plan with an implementation schedule</td>
<td>Community Development Director to review and approve plans</td>
<td>Landscape plans to be submitted within 180 days of approval of Revised SMP-30, including SFPUC lease approvals.</td>
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### Mitigation Measures

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<td>c) There shall be a preference for native species. Different species or tree placement schemes may be used if approved in writing by the Community Development Director; if alternative species are selected, they shall be non-invasive.</td>
<td>and health of trees during 5-year reviews</td>
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<td>d) Trees shall not interfere with water or electrical transmission lines;</td>
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<td>e) A monitoring plan with an implementation schedule shall be prepared and submitted to the Community Development Director for approval within 180 days of approval of Revised SMP-30, including SFPUC lease approvals. The plan shall include the provision that the successful growth and health of trees shall be monitored by the Community Development Agency during their annual review and by the Planning Department during the five year review, or as needed to ensure its success as a visual filter. If proved unsuccessful, then Permittee shall replant with the same or different species as approved by the Community Development Director.</td>
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### Air Quality

**Impact AQ-4: Operational Impacts, Criteria Pollutants.** Criteria air pollutant emissions generated during operation of the Project could violate an air quality standard or substantially contribute to an existing or projected air quality violation.

**Mitigation Measure AQ-4: NOx Emissions Monitoring and Reduction Plan.**

Upon approval of the Project, the Permittee shall initiate implementation of a NOx Monitoring and Reduction Plan (NOx Plan).

a) Throughout the first year of operation and then subsequently throughout each following year, the Permittee shall prepare an annual audit of the total aggregate, concrete and asphalt production from the Project. Based on that audit, the Permittee shall prepare a calculation of all Project-related NOx emissions from all Project sources including the aggregate plant, the concrete plant, the asphalt plant, on-site off road equipment and mobile sources (i.e., haul trucks). This calculation shall be used to compare the Project's actual annual NOx emissions, as a net increase over the baseline emissions established in the EIR, to the applicable significance threshold.

- Beginning in the first year (through June 2013), if the total annual aggregate production rate does not exceed 1.5 million tons, the threshold for NOx emissions is not expected to be exceeded and no further emission calculations or mitigation would be required for that year.
- In subsequent years, new emission standards promulgated by the US EPA and California Air Resources Board are expected to result in a substantial
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<td>reduction in NOx emissions from the on-road truck fleet. With implementation of ARB emission standards by year 2016, if the annual total annual aggregate production rate does not exceed 2.25 million tons, the threshold for NOx emissions are not expected to be exceeded and no further emission calculations or mitigation would be required for that year.</td>
<td>• With implementation of ARB emission standards by year 2020, the thresholds for NOx emissions is not expected to be exceeded even at 3.0 million tons of total aggregate production per year (the Project maximum), and no further emission calculations or mitigation would be required.</td>
<td>b) If the Project’s NOx emissions, measured as the net increase over the EIR-established baseline, exceed the applicable threshold, the NOx Plan shall demonstrate how the Project will reduce or off-set those net emissions exceeding the threshold. Reductions may be achieved by any combination of, but not limited to the following:</td>
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Mitigation Measures | Mitigation Action | Monitoring Responsibility | Timing
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**Impact AQ-5: Operational Impacts, Toxic Air Contaminants.** Operation of the proposed Project would expose sensitive receptors to substantial concentrations of toxic air pollutants and fine particulate matter.

**MM AQ-5: TAC Emissions Monitoring and Reduction Plan.** Upon initiation of Phase II of the Project’s operations the Permittee shall initiate implementation of a Toxic Air Contaminant Monitoring and Reduction Plan (TAC Plan).

a) Throughout the first year of Phase II operations and then subsequently throughout each following year, the Permittee shall prepare an annual audit of the total aggregate, concrete and asphalt production from the Project. Based on that audit, the Permittee shall prepare a risk assessment for lifetime cancer risk for a lifetime resident from all Project sources including the aggregate harvesting operations, aggregate plant, the concrete plant, the asphalt plant, on-site off road equipment and mobile sources. This risk assessment calculation shall be used to compare the Project’s actual incremental lifetime cancer risk, as a net increase over the baseline risk established in the EIR, to the applicable significance threshold.

b) If risk assessment indicates that the Project’s net increase in incremental health risk exceeds the applicable threshold, the TAC Plan shall demonstrate how the Project will reduce emissions to below the threshold level. Reductions may be achieved by any combination of, but not limited to the following:

- replacement or retrofit of engines used in one of the two scrapers, such that they meet a minimum of US EPA Tier 4 interim emissions standard, or
- replacement or retrofit of engines used on other on-site rolling stock, such that they meet a minimum of US EPA Tier 4 interim emissions standard and result in maintaining risk levels below the applicable standards, or
- reducing overall production rates at the Project site so as to not exceed the threshold.

c) The TAC Plan shall be submitted to the Alameda County Community Development Agency on an annual basis.

d) Upon approval, the Permittee shall implement specified measures as necessary.

Permittee to prepare and submit annual TAC Emissions Monitoring and Reduction Plan | Community Development Director to review and approve TAC Plan | TAC Plan to be submitted at each annual review, beginning upon initiation of Phase II operations
Climate Change

**Impact CC-1: Stationary Source Emissions.** The proposed Project would generate greenhouse gas emissions from stationary source equipment at levels in excess of the BAAQMD-established significance thresholds for greenhouse gas emissions.

**MM CC-1: Stationary Source GHG Monitoring and Reduction Plan.** Upon approval of the Project, the Permittee shall initiate implementation of a Stationary Source GHG Monitoring and Reduction Plan (SS GHG Plan).

a) Throughout the first year of operation and then subsequently throughout each following year, the Permittee shall prepare an annual audit of the total throughput of asphalt through the plant. Based on that audit, the Permittee shall prepare a calculation of all stationary source emissions of GHGs from the drum mixer and the hot asphalt oil heater. This calculation shall be used to compare the Project's actual annual stationary source GHG emissions to the applicable significance threshold.

- If the total annual throughput of asphalt does not exceed 750,000 tons per year, the threshold for stationary source GHG emissions is not expected to be exceeded and no further emission calculations or mitigation would be required for that year.

b) If the Project's stationary source GHG emissions, measured as the net increase over the EIR-established baseline, exceed the applicable threshold, then the SS GHG Plan must demonstrate how the facility will reduce or offset those net emissions exceeding the threshold. Reductions may be achieved by any combination of, but not limited to the following:

- limiting total asphalt production at the plant to levels that would not result in exceeding the threshold,
- achieving on-site reductions in emissions through such means as more energy-efficient equipment, production of on-site sustainable energy or use of cleaner burning (i.e., bio-diesel) fuels.
- providing off-site compensation by reducing GHG emissions elsewhere as a "credit" against project stationary source emissions, and/or
- purchasing offsetting "carbon credits" as an off-site compensation. For example, the Permittee may be able to off-set their emissions through a Bay Area Air Quality Management District (Air District) grant program whereby the funding would be used to fund projects eligible for funding under the program's guidelines meeting the same cost-effectiveness threshold that are real, surplus, quantifiable, and enforceable.

c) The SS GHG Plan will be submitted to the Alameda County Community Development Director to review and approve Stationary Source GHG Plan to be submitted at each annual review, beginning at the first year.
Development Agency on an annual basis.

d) Upon County approval of the SS GHG Plan, the Permittee shall implement specified measures as necessary.

Impact CC-2: Non-Stationary Source Emissions. The proposed Project would generate greenhouse gas emissions from non-stationary sources at levels in excess of the BAAQMD-established significance thresholds for greenhouse gas emissions.

MM CC-2: Mobile Source GHG Monitoring and Reduction Plan. Upon approval of the Project, the Permittee shall initiate implementation of a Mobile Source GHG Monitoring and Reduction Plan.

a) Throughout the first year of operation and then subsequently throughout each following year, the Permittee shall prepare an annual audit of the total aggregate, concrete and asphalt production from the Project. Based on that audit, the Permittee shall prepare a calculation of all Project-related mobile source GHG emissions from all Project sources including the aggregate plant, the concrete plant, the asphalt plant, on-site off road equipment and mobile sources (i.e., haul trucks). This calculation shall be used to compare the Project’s actual annual mobile source GHG emissions, as a net increase over the baseline emissions established in the EIR, to the applicable significance threshold.

b) If the Project’s mobile source GHG emissions, measured as the net increase over the EIR-established baseline, exceed the applicable threshold, the Mobile Source GHG Plan shall demonstrate how the Project will reduce or offset those net GHG emissions exceeding the threshold. Reductions may be achieved by any combination of, but not limited to the following:

- achieving on-site reductions in emissions through such means as more energy-efficient equipment, production of on-site sustainable energy or use of cleaner burning (i.e., bio-diesel) fuels,
- providing off-site compensation by reducing GHG emissions elsewhere as a “credit” against project mobile source GHG emissions, and/or
- purchasing off-setting “carbon credits” as an off-site compensation. For example, the Permittee may be able to off-set their emissions through a Bay Area Air Quality Management District (Air District) grant program whereby the funding would be used to fund projects eligible for funding under the program’s guidelines meeting the same cost-effectiveness threshold that are real, surplus, quantifiable, and enforceable.

c) The Mobile Source GHG Plan shall be submitted to the Alameda County Community Development Agency on an annual basis.

d) Upon County approval of the Mobile Source GHG Plan, the Permittee shall
implement specified measures as necessary.

### Biology

#### Impact Bio-1: Special-Status Species. The proposed Project could have a substantial adverse effect on special-status species.

**MM-Bio-1a: Special-Status Species, General Measures.**

a) The Permittee shall ensure that the following general measures are implemented as part of any new construction to minimize or avoid impacts on biological resources:

- Minimize the extent of the construction disturbance as much as feasible.
- Prior to the start of construction, the Permittee in coordination with a qualified biologist, shall install 4-foot tall fencing at the limits of construction and outside the driplines of all trees to be retained that are located within 50 feet of any grading, road improvements, underground utilities, or other construction activity. A qualified biologist and Permittee must approve any encroachment into these fenced areas. The Permittee shall maintain the temporary fencing until all construction activities are complete. No construction activities, parking, or staging shall occur within the fenced areas.
- At individual construction sites (not the quarry pit) where excavations require dewatering, the intakes shall be screened with a maximum mesh size of 5 millimeters.

b) The Permittee shall ensure that the following general measures are implemented as part of quarry operations to minimize or avoid impacts on biological resources:

- Project-related vehicles shall observe a 15-mile-per-hour speed limit on unpaved roads in the work area, or as otherwise negotiated with the applicable regulatory agencies.
- The Permittee shall provide closed garbage containers for the disposal of all food-related trash items (e.g., wrappers, cans, bottles, food scraps). All garbage shall be collected daily from the Project site and placed in a closed container, from which garbage shall be removed weekly.
- Construction personnel shall not feed or otherwise attract fish or wildlife in the Project area.
- No pets or firearms shall be allowed in the Project area.
- Staging areas shall be located at least 50 feet from aquatic areas.
- If vehicle or equipment fueling or maintenance is necessary, it shall be

<table>
<thead>
<tr>
<th>Permittee shall submit fencing plan showing the limits of construction, and submit the plan prior to initiating construction</th>
<th>Community Development Director to review and approve construction fence plan</th>
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<tbody>
<tr>
<td>Permittee and/or operator shall post notice of all general operations measures at a visible location at the site</td>
<td>Fencing plan to be submitted prior to new construction, as specifically defined in the Conditions of Approval</td>
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</tbody>
</table>
performed in designated staging areas.

**MM-Bio-1b: Special-Status Species, Construction Monitoring and Protocols.** At the beginning of each workday that includes initial site preparation and/or construction activity as defined above, a USFWS- and CDFG-approved biologist shall conduct on-site monitoring for the presence of California tiger salamander and California red-legged frog in the area where ground disturbance shall occur, as follows:

a) Exclusion fencing shall be inspected to ensure it does not have any tears or holes, that the bottoms of the fences are still buried, and that no individuals have been trapped in the fences.

b) Any California tiger salamander and California red-legged frog along and outside the fence shall be closely monitored until they move away from the construction area.

c) All open trenches or holes and areas under parked vehicles shall be checked for the presence of California tiger salamander and California red-legged frog.

d) All excavated or deep-walled holes or trenches greater than 2 feet in depth shall be covered at the end of each workday using plywood or similar materials, or escape ramps shall be constructed of earth fill or wooden planks. Before such holes are filled, they shall be thoroughly inspected for trapped animals.

e) Project personnel shall be required to immediately report any harm, injury, or mortality of a special-status species during construction (including entrapment) to the construction foreman or biological monitor, and the construction foreman or biological monitor shall immediately notify the Permittee. The Permittee shall provide verbal notification to the USFWS Endangered Species Office in Sacramento, California and/or to the local CDFG warden or biologist (as applicable) within one working day of the incident. The Permittee shall follow up with written notification to the USFWS and/or CDFG (as applicable) within five working days of the incident. All observations of federally and state-listed species shall be recorded on CNDDB field sheets and sent to the CDFG by the Permittee or representative biological monitor.

f) While it is not necessary that the biological monitor stay on-site for the entire day, the monitor shall remain on-call in case any of these animals are discovered and it is necessary to move them. The Permittee shall designate a representative as the point of contact in the event that a California tiger salamander or a California red-legged frog is discovered on-site when the biological monitor is not present.

g) If the biological monitor or construction personnel find any of these species within the work area, construction activities shall cease in the immediate vicinity of the individual until: (1) the USFWS and/or CDFG are contacted and/or the animal has been removed from the construction area, in accordance with permits, by a
USFWS- and CDFG-approved biologist and released near a suitable burrow or other suitable habitat within 0.25 mile of the construction area, or (2) the animal moves away from the construction area on its own.

Once all initial ground-disturbing activities are completed, the biological monitor shall perform spot checks of the Project area at least once a week for the duration of construction (as defined above) to ensure that any exclusion fencing is in good order, trenches are being covered if left open overnight (or escape ramps provided), Project personnel are conducting checks beneath parked vehicles prior to their movement, and all other required biological protection measures are being followed.

**MM Bio-1c: Special-Status Species, Conduct Preconstruction Surveys for Special Status Bats and Implement Avoidance and Minimization Measures.** Not more than one week prior to tree removal or removal of any abandoned structure, a County-approved qualified biologist (i.e., one familiar with the identification of bats and signs of bats) shall survey the tree or structure to be removed in the Project area for the presence of roosting bats. Bats may be present any time of the year. The biologist shall thoroughly search trees or structures that provide appropriate habitat (trees with foliage or cavities or that are hollow) for the presence of roosting bats or evidence of bats.

a) If no roosting bats or evidence of bats are found, the removal of trees or structures may proceed.

b) If bats are found or evidence of use by bats is present, the biologist shall map and mark the tree or structure with flagging. The Permittee shall ensure that the trees or structures are not removed until the CDFG has been consulted for guidance on measures to avoid and minimize disturbance of the special-status bats. Measures may include monitoring trees or structures and excluding bats from a tree or structure until it is removed and/or timing tree or structure removal and use of a construction buffer to avoid disturbance of young before they are able to fly.

**Geology**

**Impact Geo-1: Geologic Risk of Fault Rupture.** The Project could potentially expose people or structures to substantial risk of loss, injury, or death involving rupture of the Calaveras Fault.

**MM Geo-1: Structure-Specific Geologic Investigation.** Prior to construction of any structures intended for human occupancy (i.e., expected to be occupied for more than 2,000 person-hours per year) within the Alquist-Priolo zone, a detailed geologic investigation of the structure location shall be prepared by a geologist registered in the State of California. This report shall address the potential for surface fault
displacement at the structure site, based on a geologic investigation designed to identify the location, recent activity and nature of faulting that may have affected the structure site in the past and may affect the structure site in the future. If, based upon the findings of the geologic investigation, the site of the proposed structure is underlain by an active fault trace, the structure shall be located at least 50-feet away from such an active fault trace.

**Impact Geo-3: Slope Instability.** Slope failure could affect cut slopes created by quarry excavations and could affect fill slopes constructed for roads, levees, the backfilled bench at the long-term processing facility, and stockpiles. Slope failure could damage internal and external roads, buried utilities and pipelines, transmission tower foundations or on-site structures.

**MM Geo-3a: Engineering Analysis.** Recommendations contained in the Berlogar Stevens Associates’ Geotechnical Investigation, Amended Reclamation Plan for the Sunol Quarry (SMP-30), Calaveras Road, Sunol, California for Oliver De Silva, Inc., dated May 25, 2012 (Berlogar, 2012) shall be incorporated into the Project.

**MM Geo-3b: Annual Review.** Based on the recommendations of the Project geologists, an annual review of the stability of cut slopes is recommended to determine if exposed conditions indicate that the proposed quarry slopes should be modified.

**MM Geo-3c: Managing Stockpile Height.** Stockpiles shall be managed such that they do not become over-steepened or undercut, and the faces of stockpiles shall be maintained to prevent steep, high faces from forming. Where front-end loaders have to carry out undercutting in front of high faces, a cab should be fitted to enclose an operator overhead and on at least three sides.

**Impact Geo-4: Soil Erosion.** Soil erosion could occur at the Project site if proper drainage and erosion control measures are not provided. Excessive soil erosion could create gullies, undercut slopes and cause slope failure. Soil erosion can also affect surface water quality (see Hydrology and Water Quality chapter).

**MM Geo-4a: NPDES Stormwater Permits.** The Permittee (Project operator) shall be responsible for obtaining any necessary amendments and/or updates to the currently applicable NPDES permit for water management within the Project.

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<tr>
<th>Action</th>
<th>Time Frame</th>
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<tr>
<td>Permittee to prepare and submit annual compliance report</td>
<td>Compliance report to be submitted at each annual review, beginning at the first year</td>
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<tr>
<td>Community Development Director to verify NPDES permit(s) have been obtained</td>
<td>Updated/amended NPDES permit to be obtained prior to conducting any work or</td>
</tr>
</tbody>
</table>
MM Geo-4b: The removal of vegetation and overburden from the 58-acre expansion site shall occur no more than one month prior to commencement of excavation and raw aggregate harvesting activities from the expansion of the quarry pit into this area. Alternatively, if vegetation and overburden removal is to occur more than one month prior to excavation, the Permittee shall take measures such as watering the soil or applying soil binders or chemical stabilizers approved by the Community Development Director, to control dust during the stripping and subsequent transporting of the overburden and topsoil.

Permittee to prepare letter report describing dust control measures to be implemented
Community Development Director to accept and approve report (as may be needed) and verify that dust control measures are to be implemented

Dust control letter report to be submitted at least 2 weeks prior to removal of vegetation and overburden from the 58-acre expansion site

Hazardous Materials

Impact Haz-2: Accidental Release of Hazardous Materials. The Project could create a significant hazard to the public or environment through upset or accident conditions releasing hazardous materials used in the mining and plant operations.

MM Haz-2a: Above Ground Storage Tanks. The Project shall not include any underground storage tanks, and only above-ground storage tanks that have been approved by the U.S. EPA shall be used for storing petroleum products and other regulated substances. Any new above-ground tanks shall be double walled and meet all ballistic and flame impingement requirements in CFC Article 79. The containment structures shall not be equipped with any valves or drains.

Permittee to provide written confirmation of compliance with storage tank requirements as part of each annual review report
Community Development Director to verify written confirmation
Written confirmation to be submitted at each annual review, beginning at the first year

MM Haz-2b: Fuel Delivery Requirements. All delivery, maintenance, and repair trucks containing petroleum products will be required to comply with the California Department of Transportation’s regulations for transport of hazardous materials. All trucks carrying petroleum products shall be equipped with quick-connect couplings and automatic shut-off valves to prevent spills, and shall carry appropriate absorbent materials to contain and recover spillage.

Permittee to provide written confirmation of compliance with all fuel delivery requirements as part of each annual review report
Community Development Director to verify written confirmation
Written confirmation to be submitted at each annual review, beginning at the first year


Permittee to retain Fire Protection
County Fire Marshall to review and approve Fire Protection Plan and verify
Fire Marshall approval of Fire Protection Plan

SMP-30 Revised Use Permit EIR
Mitigation Monitoring and Reporting Program
submittal shall include an evaluation of the Project’s compliance with the Uniform Fire Code requirements relating to storage of hazardous materials (including aboveground tanks), the need for fire suppression system, alarm systems, storage of flammable or combustible materials, containment basins around hazardous materials, and compliance with hazardous materials regulations. Hazardous materials at the proposed asphalt plant shall be specifically considered in the review.

**MM Hydro-1: Chemical Release Prevention.** To prevent the inundation of the processing area and the potential release of hazardous materials to water in the basin (once the processing area is relocated to the south end of the mining basin at an elevation of 220 ft. msl) due to a 100-yr storm event, one or more of the following measures shall be taken:

a) Bulk storage for Portland cement, asphalt oil, fuels, and other chemicals shall be maintained outside of the basin perimeter. Only those materials needed for daily operations shall be stored and maintained in the processing area once it is relocated to the south end of the basin. If reliable weather predictions call for the potential for a 100-year storm event, or a series of events that could potentially yield equivalent flood flows, then all hazardous materials shall be removed from the processing area; or

b) The processing area should not be relocated to the south end of the basin until sufficient excavation has been completed such that the basin volume below the elevation of the processing area (approximately 220 ft. msl) is greater than at least 6,000 acre-feet. At a volume of 6,000 acre-feet, the basin would be capable of holding the total volume of water that could potentially enter the basin due to a breach during a 100-year storm, without overtopping into the processing area.

**Impact Haz-3: Asphalt Plant Operations.** The Project could create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials, particularly as pertaining to the asphalt plant operations.

**MM Haz-3a: Prohibited Truck Spraying.** The Permittee shall not allow trucks to be sprayed with diesel fuel or any other petroleum hydrocarbon-containing liquid as a means to prevent asphalt from sticking to the beds of the truck beds. Suitable biodegradable surfactants may be utilized by the truck operators, if desired. The County’s annual inspections and review shall ensure that soil contamination has not occurred at the site due to spraying of truck beds with diesel fuel or other petroleum hydrocarbon-containing liquids.
**MM Haz-3b: Best Management Site Practices.** The Project site equipment and servicing materials shall be maintained in a neat and orderly manner to aid in accounting for and detecting potential sources of contamination;

a) Non-functional equipment, scrap metal, construction debris, used batteries and tires, and similar objects shall be removed from the site on a regular basis and disposed of at appropriately licensed facilities;

b) Best Management Practices specific to the storage of spare equipment such as heavy equipment parts, conveyor belts, tires and other replacement or extra equipment pieces, shall be established pursuant to the Project's NPDES General Mining Permit to ensure that runoff from storage areas does not result in surface water contamination. Spare parts containing petroleum products (i.e., lubricants, hydraulic oil, etc.) shall be stored using Best Management Practices (BMPs) to prevent contamination of soil or storm water runoff; and

c) Storage areas shall be inspected by the Permittee monthly. Any petroleum leaks shall be documented and cleaned up. Leaking equipment shall be repaired. Inspection and monitoring documentation shall be retained for a minimum of five years and be available to County staff during site inspections.

**MM Haz-3c: Reclamation Requirements.** Upon completion of mining and processing operations at the Project site and pursuant to implementation of the Reclamation Plan, all hazardous materials and above ground storage tanks shall be removed and the site shall be cleaned of hazardous material.

a) Prior to closure of any above ground storage tank used to hold hazardous material, the Permittee shall obtain a tank closure permit from the County DEH and shall comply with all applicable tank closure guidelines.

b) The Permittee shall obtain a closure permit for all above ground hazardous materials storage facilities.

c) Fuel tanks and other hazardous materials containers shall be transported by licensed haulers to an approved disposal or recycling facility in accordance with all applicable laws and regulations.

d) Any reported releases of hazardous substances which may have occurred during Project operations shall be fully remediated according to the corrective actions prescribed by the identified lead agency, and a case closure letter from the lead agency obtained.

**Impact Haz-7: Wildland Fires.** The proposed Project would not expose people or structures to a significant risk of loss, injury, or death involving wildland fires, including where wild lands are adjacent to urban areas or where residences are intermixed with wild lands.
**MM Haz-7: Comprehensive Fire Protection Plan.** (See Mitigation Measure Haz-2c above)

**Hydrology and Water Quality**

**Impact Hydro-2: Use of Fuels and Other Chemicals.** Potential Release of Fuels and Other Chemicals. If flooding occurs on Alameda Creek such that floodwaters enter the basin, the concrete and asphalt batch plants could become inundated and hazardous materials such as Portland cement and asphalt oil could be released to water in the basin. This is a potentially significant impact only after the time the processing area is relocated to the south end of the mining basin at an elevation of 220 ft. msl.

**MM Hydro-1 Use of Fuels and Other Chemicals): Chemical Release Prevention.** (See Mitigation Measure Hydro-1 above)

**Noise**

**Impact Noise-1: Noise in Excess of Standards.** Project operations are calculated to generate noise levels at the nearest sensitive noise receptor that would exceed 50 dBA during the daytime and would exceed 45 dBA at night time, thereby exceeding the applicable noise standards of the County Municipal Code.

**MM Noise-1a: Noise in Excess of Standards, Noise Survey.** A noise survey shall be conducted within 30 days after the plant site and its processing facilities have been moved to the south. At that time, with the final plant layout in place, a determination shall be made as to whether or not additional noise barriers or other noise control measures for the equipment are required to reduce noise levels at affected sensitive receptors to acceptable levels (i.e., to 50 dBA in the daytime and 45 dBA at nighttime), and the exact locations and types of noise control measures, as may be needed, shall be determined.

**MM Noise-1b: Noise in Excess of Standards, Noise Barrier.** The method to be used to mitigate Phase II noise impacts shall be noise barriers. Normally, noise barriers are located close to, or on the equipment itself. Typically, the barriers are wood, metal, or quilted noise control blankets. Sometimes, material stockpiles can also be used as a noise barrier.
**Traffic**

**Impact Transp-4: Site Access and Circulation.** The proposed Project could substantially increase traffic hazards due to a design feature; existing conditions at the Project site's current driveway create the potential for near-misses and collisions (especially given the mix of heavy trucks, passenger vehicles and recreational cyclists), and the increase in vehicles relying on this driveway under the Project would potentially exacerbate this current condition. Sight distances all along Calaveras Road, including at the proposed new south access drive, are limited by differing grade conditions and vegetation. Additionally, with only one driveway access to the site, if that driveway was blocked or obstructed, an emergency vehicle may not be able to easily access the site in case of emergency.

**MM Transp-4a: Site Access and Circulation, Intersection Sight Distance.** The area around the new southern driveway intersection shall be kept free of visual obstructions such as tall landscaping and signage, which would obstruct line of sight for drivers exiting the site.

a) Vegetation fronting the site along Calaveras Road shall be trimmed as necessary to allow at least 550 feet of sight distance, which is the minimum corner sight distance required per the California Highway Design Manual.

b) The location of the southern driveway may shift north or south along Calaveras Road to best accommodate the required sight distance.

c) If necessary to improve sight lines at the intersection, the elevation of the southern driveway approach to Calaveras Road shall be raised to reduce the grade difference.

**MM Transp-4b: Site Access and Circulation, Two Points of Access, Phase II.** During Phase II, which assumes only one access point to/from the site, consider keeping the existing driveway as a secondary access for emergency vehicles only.
Exhibit F
Conservation Plan for Sunol Quarry SMP-30 Site

[Attached]
A Conservation Plan by Oliver de Silva, Inc. to Enhance the Biological Resources of the Sunol Quarry SMP-30 Project Area in Alameda County, California

December 15, 2008
EXECUTIVE SUMMARY

This Conservation Plan was prepared by Oliver de Silva, Inc., the Alameda Creek Alliance, and the Center for Biological Diversity, to protect and enhance the biological resources in the vicinity of the Sunol Quarry Site in the Sunol Valley. The conservation measures in this plan will significantly reduce the potential impacts of Sunol Quarry mining operations on native wildlife species and their habitats, will provide further mitigation for unavoidable biological impacts, and will benefit special-status species and their habitats in the vicinity of the project.

As detailed herein, Oliver de Silva ("ODS") will fund, implement and monitor the avoidance, mitigation, and restoration measures detailed in this Conservation Plan to best protect and conserve special-status species and their habitats prior to and during the development of quarry operations at the Sunol Quarry, under Surface Mining Permit 30 ("SMP-30"), Revised SMP-30 and Further Revised SMP-30.

In 2006 ODS submitted a proposal for a mining lease in the Sunol Valley, SMP-30. ODS contemplates additional, future mining operations at the SMP-30 site, subject to the Approval of a revised surface mining permit for the site ("Revised SMP-30") and a further revised surface mining permit for the site ("Further Revised SMP-30"). Activities under SMP-30 and Revised SMP-30 are separate and distinct projects, with independent utility, from mining activities at Apperson Ridge pursuant to SMP-17 and Revised SMP-17. Contemporaneously with finalization of this Conservation Plan, the Parties have reached an agreement on an Apperson Ridge Conservation Plan.

The Parties understand that this SMP-30 Conservation Plan will recognize and accommodate a sequence of environmental reviews and approvals that will allow for the development (with appropriate avoidance and mitigation measures) of Revised SMP-30 and the subsequent environmental review and approval that would allow for development (with appropriate avoidance and mitigation measures) of Further Revised SMP-30. After approval of the current SMP-30 Lease by the San Francisco Public Utilities Commission ("SFPUC"), ODS will seek approval from the lead agency, Alameda County, of Revised SMP-30, subject to the agreed upon avoidance and mitigation measures for Revised SMP-30. If and when Revised SMP-30 is approved and the Lease is extended for a period of thirty (30) years from the date of Approval, ODS plans to seek approval of Further Revised SMP-30 from the lead agency, Alameda County. If there is Approval of Further Revised SMP-30 and Revised SMP-17, and the SMP-30 Lease is extended until 2064, ODS agrees to continue to implement Revised SMP-30 and to implement the Further Revised SMP-30 avoidance and mitigation measures in accordance with this Conservation Plan.

SMP-30 is an existing mining operation under lease from the SFPUC located in the Sunol Valley immediately west of Calaveras Road and approximately one mile south of Highway 680. The SMP-30 site is a 325 acre site comprising a portion of Parcel 65 of Alameda County property on the right bank of Alameda Creek upstream of the San Antonio Creek confluence. Sand and gravel extraction has occurred on this site for approximately half a century. In 2007, the SFPUC put out a request for proposals for future mining expansion through a revision of SMP-30 and entered into an exclusive negotiating agreement with Oliver de Silva. The SMP-17 mining
The project (Apperson Quarry) is not a part of this Conservation Plan, but the SMP-17 mining project may at some point in the future be related to the SMP-30 site due to the proposal to reduce infrastructure and processing facilities at the SMP-17 Site for material mined at SMP-17, so long as ODS is able to conduct such activities on the SMP-30 Site, including the operation of an asphalt concrete plant, a ready-mix concrete plant and storage facilities and processing plants at the SMP-30 Site, and operation of a conveyor belt across private and SFPUC lands to deliver material mined and sized from SMP-17 to the SMP-30 Site. A renewed Lease for the SMP-30 quarry for Revised SMP-30 and Further Revised SMP-30 provides opportunities to avoid and significantly reduce many of the potential impacts of the SMP-17 Project by siting facilities within the SMP-30 Site, an area already impacted by past quarrying and with little habitat value for sensitive wildlife.

ODS will undertake the Conservation Measures in this Conservation Plan to enhance habitat for special status species in the vicinity of the SMP-30 Site, including:

- Funding for projects to help restore steelhead trout to Alameda Creek, including up to $2 million for fish passage projects at the BART weir and inflatable rubber dams in lower Alameda Creek and up to $1 million for retrofitting the PG&E pipeline crossing in the Sunol Valley;
- Funding for re-vegetation of stream banks and restoration of more natural stream function to enhance habitat quality along Alameda and San Antonio Creeks adjacent to the SMP-30 quarry; and
- Financial support for a SFPUC Sunol Valley Restoration Plan to stabilize and restore the Sunol Valley reach of Alameda Creek.

Oliver de Silva, the Alameda Creek Alliance and the Center for Biological Diversity have jointly developed this Conservation Plan with the understanding that implementation of the avoidance, mitigation and conservation measures in the Plan represent a significant reduction of the potential biological impacts of the mining operations at the SMP-30 Site on native species and habitats, offer full and appropriate mitigation for unavoidable impacts, and provide additional conservation benefits that will help to restore Alameda Creek and improve habitat for native species in the vicinity of the projects. The parties agree to jointly take the position with all government agencies and other stakeholders that the implementation of the Conservation Measures in this Conservation Plan fully addresses all potential species, vegetation, habitat and biological impacts of the SMP-30, Revised SMP-30 and Further Revised SMP-30 Projects. The Parties further understand and agree that the Conservation Measures described in this Conservation Plan cannot be guaranteed to achieve the desired outcomes in all ways and to the full extent desired by the Parties due to the fluid, complex, and often unanticipated actions of ecosystems, and to the influence of other natural or human-caused activities on or near the vicinity of the SMP-30 Project Area.
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I INTRODUCTION AND BACKGROUND

A. Acronyms and Definitions

Acronyms

ACA = Alameda Creek Alliance
ACFCD = Alameda County Flood Control District
ACWD = Alameda County Water District
CBD = Center for Biological Diversity
CDFG = California Department of Fish and Game
CEQA = California Environmental Quality Act
CRLF = California red-legged frog
CTS = California tiger salamander
EBRPD = East Bay Regional Park District
FYLF = Foothill yellow-legged frog
ODS = Oliver de Silva, Inc.
S.F. Board = San Francisco Board of Supervisors
SFPUC = San Francisco Public Utilities Commission
SMP = Surface Mining Permit
USFWS = U.S. Fish and Wildlife Service

Definitions

"Approval" of a Surface Mining Permit ("SMP") is defined as completion of all of the following: 1) the issuance of an SMP by the County of Alameda (or other lead agency); 2) approval and execution of any related lease extension by the SFPUC and the San Francisco Board of Supervisors ("S.F. Board"); 3) receipt of any other federal, state or local permits, agreements, contracts, certifications (e.g. CEQA document), entitlements or other approvals reasonably necessary for the development, construction and operation of the SMP, and 4) (a) the expiration of all administrative and judicial periods for appeal or challenge of the SMP, or of any federal, state, or local permits, agreements, contracts, certifications, entitlements, or other approvals reasonably necessary for the development, construction, and operation of the SMP ("SMP Approvals"), with no appeals or challenges pending, or if any appeals or challenges are pending as to those SMP Approvals, the resolution of such appeals or challenges in a manner satisfactory to ODS, in its sole discretion, exercised in good faith, or (b) the commencement of mining operations by ODS on the particular SMP site, whichever comes first.

"Conservation Measures" is defined as all of the conservation strategies, including avoidance, minimization and mitigation measures, specifically described in the Conservation Plan.

"Conservation Project(s)" is defined as that combination of environmental protection and enhancement and land management measures, and related funding agreements and plans, set forth in detail in this Conservation Plan, intended to protect and enhance the quality and functioning of the regional biological habitat, including wetlands and related lands, of species of interest located within the areas of the Project(s).
"Further Revised Surface Mining Permit 30" ("Further Revised SMP-30") is defined as the project to be conducted from approximately 2030 until 2064 at the SMP-30 Site and adjoining real property that includes stockpile areas, an aggregate processing plant, an asphalt plant and a ready-mix concrete plant for delivery, stockpiling and processing of sized aggregate from Apperson Ridge into finished quarry products.

"Lease" means a quarry lease between the City of San Francisco and ODS which will include continuation of SMP-30 operations until 2021, an extension for a period of thirty (30) years for the operation of Revised SMP-30 (if required approvals are obtained) and an extension to 2064 for the operation of Further Revised SMP-30 (if required approvals are obtained).

"Parties" refers to all the parties who formulated this Conservation Plan, which are Oliver de Silva, Inc., a California corporation ("ODS"), the Alameda Creek Alliance, a California non-profit corporation ("ACA"), and the Center for Biological Diversity, a New Mexico non-profit corporation ("CBD").

"Project(s)" is defined as the activities comprised within SMP-30, Revised SMP-30, Further Revised SMP-30, SMP-17 or Revised SMP-17, whichever project is being specifically referenced, or refers to all or some combination of these projects if they are being referred to collectively.

"Revised Surface Mining Permit 17" ("Revised SMP-17") is defined as the project comprised of a conveyor system to deliver aggregates mined from SMP-17 and sized for delivery on a conveyor system to the SMP-30 Site for stockpiling and processing into asphalt concrete, ready-mix concrete and other construction products.

"Revised Surface Mining Permit 30" ("Revised SMP-30") is defined as the project comprised of Revised SMP-30 as set forth in the SFPUC's Request For Proposals (Alternate F), issued December 13, 2005, with operations at the site expanded to a depth of at least 225 feet, and with an asphalt concrete plant and ready-mix concrete plant as ancillary uses.

"SMP-17 Project Area" is defined as the mining and operational footprint at the SMP-17 Site, associated infrastructure (including mining equipment, equipment storage, conveyors and storage piles), the route of the conveyor system, and the access road, along with immediately adjacent areas where there may be impacts from the SMP-17 or Revised SMP-17 mining activities.

"SMP-30 Project Area" is defined as the SMP-30 Site and associated infrastructure, along with immediately adjacent areas where there may be impacts from SMP-30, Revised SMP-30 and Further Revised SMP-30.

"SMP-17 Site" means the 680-acre parcel defined as the Property in that Mineral Lease Agreement dated August 30, 1983 between William W. Apperson as Lessor and ODS as Lessee (the "Mineral Lease Agreement"), along with all easements and other interests granted Lessee in the Mineral Lease Agreement and all amendments thereto.
“SMP-30 Site” means that 315-acre parcel (6527 Calaveras Road, Sunol, California; APN 96-375-009) for which quarrying is authorized pursuant to Surface Mining Permit 30 (“SMP-30”); and, if Approval of Revised SMP-30 is achieved, the additional expansion area of 58 acres; and if Approval of Further Revised SMP-30 is achieved, the additional areas of adjacent real property needed for access, conveyor systems and stockpile areas.

“Surface Mining Permit 17” (“SMP-17”) is defined as the Apperson Quarry hard rock mining project approved by Alameda County in 1984.

“Surface Mining Permit 30” (“SMP-30”) is defined as the existing mining operation under lease from the SFPUC in the Sunol Valley.

B. Description of Permitted SMP-30 Project

SMP-30 Quarry

An existing quarry permit in the Sunol Valley, Surface Mining Permit 30 (“SMP-30”), was approved by Alameda County and is under lease by the SFPUC. A copy of the Conditions of Approval for SMP-30 and the resolution approving SMP-30 are attached hereto. Mining operations have occurred on the premises of the SMP-30 project since the 1960s and are currently authorized under SMP-30 issued by Alameda County. The current operator at SMP-30 operates under a month-to-month lease. SMP-30 authorizes mining until June 1, 2021 or upon completion of reclamation, whichever occurs first. SMP-30 currently allows mining to a depth of 140 feet.

The SFPUC proposes to expand mining operations at the SMP-30 Site to a depth of at least 225 feet, in accordance with the planning concepts set forth in Alternative F of the Sunol Valley Resources Management Element of the Alameda Watershed Management Plan adopted by the SFPUC in September of 2000. The SFPUC is in the process of selecting a new operator that will be required to apply for a new or amended mining permit for the site from Alameda County (the “Revised SMP-30 Mining Permit”) and process all approvals and complete all environmental review for the Revised SMP-30 mining permit. The SFPUC is in exclusive negotiations with ODS for the SMP-30 Lease, and has been apprised by ODS, and approves, of the proposed uses of the SMP-30 Site to receive, stockpile and process material from the SMP-17 mining site, beginning after 2030. The Revised SMP-30 permit will include the right to mine to a minimum depth of 225 feet, and will include obligations for the lessee, among other things, to restore the right bank of Alameda Creek and the left bank of San Antonio Creek, contribute funding to planning efforts for the restoration of Alameda Creek in the Sunol Valley, install a bentonite slurry cut-off wall to prevent groundwater inflow into the quarry pit, and to perform reclamation to allow use of the completed quarry pit for water storage.

SFPUC Lease Conditions for SMP-30

In December 2005, the SFPUC put out a request for proposals for the lease and operation of the Sunol Valley aggregate quarry (SMP-30) and an exclusive right to negotiate for future mining expansion. The required terms and conditions included several environmental enhancements and
measures to minimize water losses from Alameda Creek and to help the restoration of steelhead trout, including:

- Coordination with PG&E to modify a gas pipeline crossing of Alameda Creek in the Sunol Valley that is a barrier to upstream fish passage;
- Contribution of funds to a SFPUC study of restoring the Sunol Valley mining reach of Alameda Creek;
- Minimizing percolation losses of water from Alameda Creek to benefit habitat for steelhead trout, through installation of a bentonite cutoff wall to eliminate inflow through the shallow alluvium into mining pits;
- Restoring stream habitat and biological function through restoration of the right bank of Alameda Creek and the left bank of San Antonio Creek adjacent to the SMP-30 quarry;
- Accommodation of any future public access trails through the area that may be desired by the East Bay Regional Park District; and
- Any other environmental enhancements offered by the lease bidder to make its proposal competitive.

This Conservation Plan provides new species conservation and habitat enhancement measures, including enhancement of Alameda Creek, to benefit and help restore fish and aquatic wildlife, specific conservation measures for rare species, funding to conservation groups for monitoring and implementation of this Conservation Plan, funding for regional restoration projects, and support for conservation efforts for special-status species and their habitats in the Alameda Creek watershed.

C. Parties Activities in General

During the term of this Conservation Plan, as or before milestones are achieved, the Parties will do the following:

1. Approval of SMP-30 Milestone:

- ODS will fund the additional Conservation Measures AC-1 and AC-2 for the benefit of Alameda Creek specified in section II.A. below, which are to be funded by ODS during the term of the current SMP-30 Lease.

- At an appropriate time, ODS will hire a consultant(s), reasonably approved by all Parties, to survey and assess the SMP-30 Site, including the approximately 58-acre expansion area to be included in Revised SMP-30, and immediately adjacent areas for presence of special status species and potential habitat, and to assess potential impacts to those resources. These surveys shall be shared with the Conservation Groups at the time that ODS submits the surveys to the public agencies. Selection of the consultant(s) will be subject to the reasonable approval of the SFPUC and the County of Alameda. Studies will begin after approval of the current SMP-30 Lease by the S.F. Board.

- The Consultant will complete protocol level surveys as necessary for all special status species at and immediately adjacent to SMP-30 and Revised SMP-30, unless all Parties agree particular species are assumed to be present or all parties agree that particular species are
unlikely to occur. These surveys shall be shared with the Conservation Groups at the time that ODS submits the surveys to the public agencies.

- Prior to achievement of the Approval of SMP-30 Milestone, ACA and CBD will support SFPUC, S.F. Board, and Alameda County approval of the SMP-30 Lease and associated SMP-30 projects, which will include continuation of current SMP-30 operations until 2021, an extension for the operation of Revised SMP-30 (if required approvals are obtained) and an extension for the operation of Further Revised SMP-30 (if required approvals are obtained).

- At all times, ACA and CBD will work to secure the support of other conservation groups for SFPUC, S.F. Board and Alameda County approval of the SMP-30 Lease and associated SMP-30 and will publicly promote approval of the Lease by the SFPUC, S.F. Board and Alameda County.

- ACA and CBD will publicly support County of Alameda, SFPUC and S.F. Board approval of Revised SMP-30 and Revised SMP-30 Lease extension, as well as all other permits, approvals, authorizations and other entitlements for these projects.

- ACA and CBD will work to secure the support of other conservation groups and will publicly support approval by the SFPUC, the S.F. Board and Alameda County of the Revised SMP-30 Lease. ACA and CBD will publicly promote approval by the SFPUC and the Board of the Revised SMP-30 Lease.

- The Parties agree and will jointly take the public position that environmental review of Revised SMP-30, including CEQA review, will be done only as part of the entitlement process for Revised SMP-30.

2. Approval of Revised SMP-30 Milestone:

- ODS will fund and implement all mitigations required by the SFPUC or Alameda County as conditions of approval for Revised SMP-30.

- ODS will defer mining at SMP-17 until no earlier than 2030 and not before cessation of mining at SMP-30. Construction of improvements and facilities for SMP-17 will be done during two (2) years prior to commencement of mining at SMP-17, but not before 2028.

- ODS will fund and implement the additional Conservation Measures AC-3, AC-4, AC-5, and AC-6 required by this Conservation Plan for the benefit of Alameda Creek which are specified in section II.B. below and which are to be funded by ODS during the term of the Revised SMP-30 Lease.

- ODS will submit its Application(s) for Further Revised SMP-30 to the County of Alameda within one (1) year of the date of Revised SMP-30 Lease extension.

- The Conservation Groups will support approval by the County of Alameda, SFPUC and S.F. Board of Further Revised SMP-30, as well as a Further Revised SMP-30 Lease extension to
2064 to allow processing of rock and operation of asphalt and ready-mix plants at the SMP-30 Site, as well as all other permits, approvals, authorizations and other entitlements for these projects.

- The Conservation Groups will work to secure the support of other conservation groups for, and will publicly support the approval by the SFPUC and the S.F. Board, of the Further Revised SMP-30 and Further Revised SMP-30 Lease extension to 2064, as well as all other permits, approvals, authorizations and other entitlements for these projects. The Conservation Groups will publicly promote approval by the SFPUC, the S.F. Board and Alameda County of the Further Revised SMP-30 and Further Revised SMP-30 Lease extension to 2064, as well as all other permits, approvals, authorizations and other entitlements for these projects.

- The Parties agree and will jointly take the public position that environmental review, including CEQA review, of Further Revised SMP-30 will be done only as part of the entitlement process for Further Revised SMP-30. The Conservation Groups will work to support, and further will not oppose, efforts to gain approval of this entitlement process, and the environmental review attendant to that process.

3. Approval of Further Revised SMP-30 Milestone:

- ODS will fund and implement all mitigations required by the SFPUC or Alameda County as conditions of approval for Further Revised SMP-30.

- ODS will defer construction of stockpile areas, aggregate processing plant, asphalt plant and ready-mix concrete plant at SMP-17, so long as those activities are allowed to be conducted by ODS at the Further Revised SMP-30 site.

- ODS will fund and implement the additional Conservation Measures AC-7 and AC-8 required by this Conservation Plan for the benefit of Alameda Creek, which are specified in section II.C. below, and are to be funded by ODS during the term of Further Revised SMP-30 Lease.

D. Regulatory Framework

This Conservation Plan will allow for the mining of the SMP-30 and Revised SMP-30 sites and provides mitigation and other Conservation Measures relating to mining activities under SMP-30, Revised SMP-30 and Further Revised SMP-30. This plan contains appropriate mitigation and other Conservation Measures to protect biological resources, additional Conservation Measures to benefit special-status species in the vicinity of mining operations, and contributions to the restoration of Alameda Creek. The Conservation Measures in this Plan will be added to the terms and conditions for the SFPUC Lease and to conditions of approval for Revised SMP-30 and Further Revised SMP-30, as practicable and as approved by lead agencies and appropriate state, federal, and local agencies. Notwithstanding anything to the contrary in this Conservation Plan, ODS shall not be required to provide copies of any surveys, reports or other data to the Conservation Groups until the surveys, reports or other data are submitted by ODS to the public agencies.
ODS will initiate the following sequence of environmental reviews under CEQA and permit approvals that will allow for the development, with appropriate avoidance and mitigation measures, of the SMP-30, Revised SMP-30 and Further Revised SMP-30 mining projects.

ODS will first assume the existing Lease for SMP-30, subject to approval by the SFPUC, the S.F. Board, and Alameda County. After approval by all public agencies of the existing SMP-30 mining lease, ODS will seek approval from the lead agency, Alameda County, for a Revised SMP-30 project, containing the avoidance and mitigation measures for Revised SMP-30 detailed in this Conservation Plan and Lease terms and conditions required by the SFPUC. At that time ODS will hire a consultant, approved by all Parties, to survey and assess the Revised SMP-30 site and immediately adjacent areas for the presence of special status species and potential habitat, and to assess potential impacts to those resources. Selection of the consultant will be subject to the reasonable approval of the SFPUC and County of Alameda. The consultant will complete protocol level surveys for all special status species at and immediately adjacent to the Revised SMP-30 Site, except as otherwise set forth herein. Special status species surveys will begin after the approval of the current SMP-30 Lease by all the public agencies.

Alameda County is expected conduct the environmental review under CEQA for the Revised SMP-30 project. If and when the Revised SMP-30 project is approved by Alameda County, ODS will then seek approval from the SFPUC of a Lease extension for Revised SMP-30 for a period of thirty (30) years from the date of approval by the SFPUC.

If and when Revised SMP-30 and the Revised SMP-30 Lease extension are approved, ODS will seek approval for the Further Revised SMP-30 project from the lead agency, Alameda County. The application(s) for the Further Revised SMP-30 project will be submitted to the County of Alameda within one (1) year of the date of the Revised SMP-30 lease extension. Alameda County is expected to conduct the environmental review under CEQA for the Further Revised SMP-30 project. ODS will request any needed modifications to Alameda County's conditions of approval to incorporate the changes in the project and the avoidance, mitigation and conservation measures for Further Revised SMP-30 contained in this Conservation Plan. Approval of the Further Revised SMP-30 Lease extension to 2064 will allow stockpiling and processing of material from SMP-17 and operation of asphalt and ready-mix plants at the Revised SMP-30 site, significantly reducing the area impacted by the operations at Apperson Ridge.

The Conservation Groups will support the permit approvals and lease agreements needed for the SMP-30, Revised SMP-30 and Further Revised SMP-30 Projects, as well as all other permits, approvals, authorizations and other entitlements for these projects, but shall not be prohibited from participating in and commenting on the environmental review processes for Revised SMP-30 and Further Revised SMP-30. The Conservation Groups shall not be prohibited from participating in any action or administrative process related to violations by ODS of any terms of the SMP-30 or SMP-17 Surface Mining Permits, state, federal or local laws, and/or this Conservation Plan. However, the Conservation Groups shall not pursue or assist in any manner, directly or indirectly, any civil action in opposition to these projects.
If Approvals are obtained for Revised SMP-30, Revised SMP-17 and Further Revised SMP-30, excavated and sized aggregate material will be transported from the SMP-17 Site via conveyor belt to the SMP-30 Site for further processing. ODS will develop a traffic management plan that minimizes vehicle trips on the access road, including a regular employee carpool from Calaveras Road to the SMP-17 Site. Vehicle access to the site will be generally along the alignment of the existing access roads which are located in a private access easement which traverses approximately 2.8 miles of SFPUC watershed lands from Calaveras Road to the Apperson Ranch boundary and then 1.9 miles of the ranch to the quarry site. The Conservation Groups acknowledge and will publicly support the conclusion that these efforts by ODS are calculated to reduce environmental impacts to the SMP-30 Project Area and to enhance the functioning of species habitat in the Alameda County watershed.
II POTENTIAL BIOLOGICAL IMPACTS AND MEASURES TO AVOID, MINIMIZE AND MITIGATE IMPACTS

During the term of this Conservation Plan, as milestones are achieved, ODS agrees to the following:

A. Approval of SMP-30 Milestone.

SURVEY-1: After approval of the current SMP-30 Lease by the SFPUC, the S.F. Board, and Alameda County and as a part of the CEQA process for Revised SMP-30, ODS will hire a consultant, approved by all Parties, to survey and assess the Revised SMP-30 project area and immediately adjacent areas for presence of special status species and potential habitat, and to assess potential impacts to those resources. The selection by ODS of the consultant will also be subject to the reasonable approval of the SFPUC and County of Alameda. The consultant will complete protocol level surveys for all special status species at and immediately adjacent to the Revised SMP-30 site, unless all Parties agree presence is assumed or all parties agree that species are unlikely to occur. These surveys shall be shared with the Conservation Groups at the time that ODS submits the surveys to the public agencies. Surveys required as part of mitigation measure TAKE-1 below, listed in Appendix A, must still be conducted.

SURVEY-2: ODS will provide a copy to the ACA and CBD of all reports, surveys and monitoring data at that time that ODS submits to state, federal and County regulatory agencies and the SFPUC regarding Revised SMP-30.

TAKE-1: The USFWS and CDFG typically require a number of survey and avoidance measures to reduce the likelihood of take of special-status species before issuance of permits, authorizations or a biological opinion. ODS will implement the following mitigation measures to avoid take of special-status species. ODS will fund, comply with and implement all of the pre-project avoidance measures for sensitive species detailed in Appendix A, so long as they do not conflict with other legal requirements. These measures may include exclusion of special-status species from mining and equipment areas before mining activities, potential relocation of special-status species, pre-activity surveys, and observation of vehicle speed limits on internal roads within the project area.

AC-1: After Approval of the current SMP-30 Lease by the SFPUC and S.F. Board, ODS will contribute up to $2 million in funding toward the lower Alameda Creek fish passage projects at the Alameda County Flood Control District ("ACFCD") BART weir and the Alameda County Water District ("ACWD") upper rubber dam ("ACWD Projects") for which ACWD will be the lead agency. ODS will fund in an amount sufficient to meet the funding shortfall for completing construction of the ACWD Projects, but not to exceed $2 million, in a manner to be further negotiated between the Parties and approved by the appropriate government agencies. Funding will be provided to the ACWD after all permits, easements and other necessary approvals are obtained by the ACWD, the contract for the work has been awarded by ACWD, and all other available funding has been disbursed by ACFCD and ACWD. If required, ODS will provide a Letter of Credit or other payment security to ACWD.
AC-2: After Approval of the current SMP-30 Lease by the SFPUC and S.F. Board, ODS and/or the SFPUC will provide $1 million in funding and/or equipment and services (as approved by the lead agencies on the project) to further a fish passage project at the PG&E gas pipeline crossing of Alameda Creek in the Sunol Valley, in a manner to be further negotiated between the Parties and approved by the appropriate government agencies. Funding will be provided after all permits, easements and other necessary approvals are obtained and all other available funding has been disbursed.

If PG&E agrees to a fish passage project at the pipeline crossing that removes all infrastructure from the Alameda Creek streambed (i.e. a project that buries the gas pipeline crossing under the streambed), ODS will provide PG&E with the full amount of $1 million toward the fish passage project. If PG&E approves a fish passage project that maintains infrastructure in the creek or any barrier which requires a fish ladder for steelhead migration, ODS will provide PG&E with $500,000 toward the fish passage project, and the remaining $500,000 will go to the SFPUC for implementing enhancement measure AC-6 below, the Sunol Valley Restoration Plan. In any event, any portion of the $1 million that is not used for the PG&E Project shall be used for measure AC-6 below. Of the $1 million of funding, not more than $750,000 will be required to be funded by ODS prior to Approval of Revised SMP-30; $250,000 will be provided by ODS after Approval of Revised SMP-30. If required, ODS will provide a Letter of Credit or other payment security.

B. Approval of Revised SMP-30 Milestone.

AC-3: ODS will fund and implement the Revised SMP-30 Lease terms regarding Alameda Creek restoration and remediation, as may be required and approved by SFPUC. These terms are expected to include: installation of a bentonite cut-off wall approximately 7,800 feet long at an estimated depth of 35 to 45 feet to prevent water inflow from Alameda Creek into the SMP-30 quarry pit; a second 2,300 foot long slurry cutoff wall along the left bank of San Antonio Creek if required; restoring the right bank of Alameda Creek and the left bank of San Antonio Creek adjacent to the SMP-30 lease with native vegetation; restoring a more natural stream function that is compatible with and enhances habitat quality in these stream reaches; contributing $200,000 in funding to a SFPUC restoration planning for the reach of Alameda Creek in the Sunol Valley; and accommodating possible future public access trails through the area that may be desired by the East Bay Regional Park District.

AC-4: After Approval of Revised SMP-30, ODS will additionally re-vegetate the left bank of Alameda Creek and the right bank of San Antonio Creek, adjacent to the SMP-30 lease, with native vegetation. Re-vegetation will be completed, according to success criteria to be agreed upon by the Parties, within two (2) years of the approval of the Revised SMP-30 Lease. Watering, monitoring and replacement of vegetation will be conducted until 2030, if needed to maintain vegetation in good condition.

AC-5: Not later than one (1) year after the date of Approval of the Revised SMP-30 and the Revised SMP-30 lease extension, ODS (per the SFPUC lease conditions) will fund a study of the geomorphology of Alameda Creek to determine the need for stabilization and reconfiguration of the creek within the entire gravel quarry reach of Alameda Creek in the Sunol Valley. At that
time, ODS will hire a consultant (reasonably approved by all Parties and the SFPUC) to develop a streambed restoration and re-vegetation plan for this reach ("Sunol Valley Restoration Plan").

**AC-6:** After Approval of Revised SMP-30 and the Revised SMP-30 lease extension, ODS will support a Sunol Valley Restoration Plan to be commenced by the SFPUC, with financial support from ODS and other quarry lease holders in the Sunol Valley. The Restoration Plan will include streambed repair, grade stabilization, riparian re-vegetation, migratory fish passage, and fish habitat enhancement of the Alameda Creek stream reach in the Sunol Valley – including both banks of Alameda Creek from the Sunol Valley Water Treatment Plant downstream to the Sunol Water Temple. The Plan will also consider SFPUC long-term plans for reclaiming quarry pits in the Sunol Valley and possible future public access trails through the area that may be desired by the East Bay Regional Park District. The SFPUC will be the lead agency for the restoration plan and the SFPUC, ODS, EBRPD and other quarry lease holders in the Sunol Valley will negotiate cost-sharing for funding of the Sunol Valley Restoration Plan. Any remaining funding from measure AC-2 above not used for the PG&E fish passage project will be used for funding of the Sunol Valley Restoration Plan.

**C. Further Revised SMP-30 Milestone.**

**SURVEY-3:** ODS will provide a copy to the ACA and CBD of all reports, surveys and monitoring data at the time that ODS submits to state, federal and County regulatory agencies and the SFPUC regarding Further Revised SMP-30.

**AC-7:** ODS will fund and implement the Further Revised SMP-30 Lease terms regarding Alameda Creek restoration and remediation, as may be required by the SFPUC.

**AC-8:** After Approval of Further Revised SMP-30 and the Further Revised SMP-30 lease extension, ODS will continue to support a Sunol Valley Restoration Plan to be commenced by the SFPUC, with financial support from ODS and other quarry lease holders in the Sunol Valley.
APPENDIX A

TAKE AVOIDANCE MEASURES

As specified in avoidance measure TAKE-1, in an effort to avoid direct take of special-status species with the potential to occur in the vicinity of the SMP-30 site, ODS will comply with the following pre-project avoidance measures. Notwithstanding anything to the contrary in this Conservation Plan, ODS will have no obligation to share any surveys with the Conservation Groups until ODS provides the surveys to any public agency or to the general public.

Amphibians

In an effort to avoid direct impacts to special-status amphibians, particularly the California red-legged frog (FT/CSC), foothill yellow-legged frog (FYLF/CSC), and California tiger salamander (FT/CSC), the following avoidance measures shall be adhered to:

AMPH-1: Prior to any construction or mining activities under Revised SMP-30, ODS will hire a qualified biologist to conduct pre-construction surveys within and adjacent to the SMP-30 site to ensure that no red-legged frogs, yellow-legged frogs or tiger salamanders are present within the mining site, equipment areas, or along roads used to access the site. These surveys shall be shared with the Conservation Groups at the time that ODS submits the surveys to the public agencies.

- Surveys shall be completed for all life cycle stages of CRLF and FYLF (e.g., egg masses, tadpole, juveniles, and adults) that may occur within or adjacent to the project area.
- Surveys will be completed for all life cycle stages of CTS, appropriately timed with respect to salamander activity and proposed construction activities.
- The name and credentials of a biologist qualified to act as a construction monitor shall be submitted to the USFWS for approval at least 15 days prior to commencement of work.
- The USFWS-approved biologist shall conduct pre-construction surveys within aquatic habitat in the project area, at least two weeks prior to the onset of construction activities.
- If adult CRLF, FYLF, or CTS tadpoles or eggs are found within the construction disturbance zone, the USFWS-approved biologist shall contact the USFWS to determine if moving any of these life stages is appropriate. If the USFWS approves moving the animals, the approved biologist shall be allowed sufficient time to move them from the construction sites before work activities begin. If no CRLF, FYLF or CTS are detected during these surveys, construction-related activities may proceed without further requirements for the protection of individuals.
- The USFWS-approved biologist will remove and destroy from within the project area any individuals of non-native species, such as bullfrogs, crayfish, and centrarchid fishes, to the maximum extent possible.
- Exclusionary fencing, such as silt fences, shall be installed around all construction areas that are within 150 feet of or adjacent to documented CRLF, FYLF, or CTS habitat. Once fencing is in place, it shall be maintained by ODS until completion of construction within or adjacent to the exclosure.
AMPH-2: ODS will implement a worker education program regarding special-status amphibians in the vicinity of the SMP-30 project site, and will implement a vehicle speed limit on all internal roads within and adjacent to the SMP-30 project site during winter, to reduce the likelihood of road kill of migrating amphibians.

Nesting Raptors and Passerine Birds

In order to avoid disturbance of the nests of raptors or special-status passerine bird species, which are protected under CA Fish and Game Code 3503, the following measures shall be adhered to:

**BIRD-1:** No more than two weeks prior to any construction or mining activities under Revised SMP-30, a qualified wildlife biologist will conduct preconstruction surveys of all potential bird nesting habitat within the Revised SMP-30 project area. These surveys shall be shared with the Conservation Groups. If construction activities (i.e., ground clearing and grading, including removal of trees or shrubs) are scheduled to occur during the non-breeding season (September 1 through January 31), no measures are required. If construction activities are scheduled to occur during the breeding season (February 1 through August 31), the project proponent will implement the following measures to avoid potential adverse effects on any special-status birds which may occur:

- If active nests are found during preconstruction surveys, the project proponent will create a no-disturbance buffer (acceptable in size to the CDFG) around nests of special-status birds during the breeding season, or until it is determined that all young have fledged. Typical buffers are 250 feet for passerine nesting birds and 300 feet for raptors. The size of these buffer zones and types of construction activities restricted in these areas may be further modified in coordination with the CDFG and will be based on existing noise and human disturbance levels at the project site. Nests initiated during construction are presumed to be unaffected, and no buffer would be necessary.
- If preconstruction surveys indicate that nests are inactive or potential habitat is unoccupied during the construction period, no further mitigation is required. Trees and shrubs within the construction footprint that have been determined to be unoccupied by special-status birds or that are located outside the no-disturbance buffer for active nests may be removed.

**Status Codes:**

Federal Categories (U.S. Fish and Wildlife Service)
FT = Listed as Threatened by the Federal Government

State Categories (California Department of Fish and Game)
CSC = California Species of Special Concern
Exhibit G-1
Initial Plant and Stockpile Locations

[Attached]

[Note: Use Figure 3-10 from the EIR]
Figure 3-10
Phase I Plant Site, Site Plan

New Clarifiers

Crushing and Sorting

Overhead Conveyor System

New Asphalt Plant

New Concrete Batch Plant

Source: Benchmark Resources
Exhibit G-2
Phase II Plant and Stockpile Locations

[Attached]

(Note: Use Figure 3-7 from the EIR)
Relocated processing plant, expansion of the South Basin to quarry prior plant site.

Figure 3-7
Phase II Mine Plan
Exhibit 6-2

Source: Benchmark Resources
Exhibit H
K-Rail Storage Area

[Attached]
The City does not guarantee that the Information is accurate or complete. The City provides this Information on an "as is" basis and disclaims all warranties, express or implied, including but not limited to warranties of merchantability, fitness for a particular purpose and non-infringement. The City is not responsible for any damages arising from the use of data. Users should verify the information before making project commitments.

Date: 11/13/2012
Exhibit I
Locations of Hetch Hetchy Power Poles
[Attached]
Exhibit J
Diagram Showing Reserved Expansion Premises
(New Exhibit A-4 Revised to Lease)
[Attached]
Exhibit K
Revised SMP-30 Permits and Approvals

1. US Army Corps of Engineers 404 Permit
2. US Fish and Wildlife Service Biological Opinion
3. Regional Water Quality Control Board 401 Certification of 404 permit
4. California Fish and Wildlife Streambed Alteration Agreement
5. California Fish and Wildlife Incidental Take Permit

Tenant shall make best efforts to obtain the Revised SMP-30 Permits and Approvals prior to December 31, 2013.