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Delivery Via: E-Mail

December 21, 2020

Mr. JD Trebec
Senior Planner
Yolo County
Department of Community Services
Planning Division
292 West Beamer Street
Woodland, CA 95695

SUBJECT: Application Addendum No. 2 – Request for Annual Production Increase CEMEX Cache Creek Mining Permit and Reclamation Plan Amendment Project

Dear JD,

On behalf of CEMEX Construction Materials Pacific, LLC. ("CEMEX"), please accept this Application Addendum No. 2 ("Addendum 2") for the Cache Creek Mining Permit and Reclamation Plan Amendment Project ("Project"). This Addendum 2 modifies the original Project application to add a request to increase the annual production limit for the mine from 1,000,000 tons sold per year to 1,500,000 tons sold per year. Before delving further into the specifics of this request, we will provide a brief background of the application process to date.

CEMEX submitted the original Project application to the County on February 28, 2020. The County reviewed that application and subsequently deemed it complete on April 12, 2018, along with providing a preliminary indication that a Supplemental EIR may be appropriate for CEQA review of the Project. On March 6, 2018, the County made notification to the Yocha Dehe Wintun Nation pursuant to AB 52. The tribe responded on March 20, 2018 and expressed interest in participating in Project consultation.

On April 24, 2018, the County informed CEMEX that it had decided to hire Baseline Environmental Consulting ("Baseline") to prepare an EIR for the Project. Baseline prepared the original 1996 Solano Long-term Off-channel Mining Permit Application EIR, and therefore CEMEX was supportive of this selection based on Baseline's familiarity with the site and the original project. On July 5, 2018, Baseline submitted to CEMEX an initial Request for Information ("RFI") to support the CEQA analysis, which CEMEX responded to on July 18, 2019. The RFI response included clarifications about Project acreages, Project emission sources for air quality and greenhouse gas analysis, Project timing, and responses to biological peer review comments.

Mr. JD Trebec December 21, 2020 Page 2

Around the same time, on June 10, 2019, the County forwarded to the State Department of Conservation, Division of Mine Reclamation ("DMR") the proposed reclamation plan amendment for review and comment. DMR responded to that request on July 31, 2019, indicating they had no comment and looked forward to receiving the County's 30-day notice (as required by SMARA) prior to Project approval.

Subsequently, CEMEX submitted its first formal Application Addendum No. 1 to the County on April 1, 2020. Addendum 1 refined the description and limits of proposed mining and reclamation based on input received from the County and the current conditions at the site. As part of Addendum 1, CEMEX submitted an updated reclamation plan narrative, mining and reclamation plan drawings, habitat restoration plan, and project summary worksheet. Addendum 1 included a minor adjustment to the location of the proposed alluvial separator between the proposed Phases 3 and 4, clarifications to the mining plan related to future realignment of the existing agricultural ditch in Phase 6, extension of habitat restoration in the Cache Creek setback area to the limits of the Project boundary, and an updated comparison of existing vs. proposed reclamation plan acreages. At the County's request, CEMEX also increased the setback between Cache Creek and Phase 6 mining, although the original proposal was consistent with County setback standards.

The gap in time between the response to Baseline's RFI and Addendum 1 was largely owing to coordination between CEMEX and the County as well as the County's recommendation to postpone Project CEQA review until Baseline finished the EIR to support the County's separate Cache Creek Area Plan ("CCAP") update process. CEMEX was agreeable to the County working with Baseline to complete the CCAP update, as that CCAP update was a high priority to the County and producers.

As mentioned in the opening of this letter, this Addendum 2 modifies the original Project application to add a request to increase the annual production limit for the mine from 1,000,000 tons sold per year to 1,500,000 tons sold per year. However, Addendum 2 also reflects CEMEX's efforts to continue to improve the Project application materials based on County input and promote efficient CEQA review. Accordingly, this Addendum 2 includes the following attachments:

- 1. Attachment 1: An updated **Project Description narrative**, prepared by Compass Land Group, dated December 2020, with updates to the project objectives and anticipated mining and reclamation schedule.
- 2. Attachment 2: An updated **Revised Reclamation Plan narrative**, prepared by Compass Land Group, dated December 2020, with updates to the anticipated mining and reclamation schedule.

The substantive change to the application is addressed more specifically, below.

1. <u>Increase in Annual Production Limit</u>

Background: Pursuant to Condition of Approval No. 2 for Long-Term Off-Channel Mining Permit No. ZF #95-093, Reclamation Plan No. ZF #95-093 and Development Agreement No. 96-287, annual production for the mine is currently limited to 1,000,000 tons (sold weight). The annual production level may be exceeded by 20 percent to 1,200,000 tons (sold weight) in any one year, so long as the running ten-year production average does not exceed 10,000,000 tons (sold weight). Under no circumstances may annual production exceed 1,200,000 tons (sold weight). This limit does not apply to recycled waste material or aggregate obtained from in channel maintenance work performed in accordance with the CCAP.

Request: Under Addendum 2, CEMEX proposes to increase the annual production limit for the mine from 1,000,000 tons sold per year to 1,500,000 tons sold per year. CEMEX proposes that the annual production level may be exceeded by 20 percent to 1,800,000 tons (sold weight) in any one year, so long as the running ten-year production average does not exceed 15,000,000 tons (sold weight). Under no circumstances may annual production exceed 1,800,000 tons (sold weight).

With this Addendum 2, CEMEX would have the ability to produce materials from the proposed mining plan at a faster rate in response to the increasing demand for construction material in the marketplace. CEMEX understands that this request is supported by the recent CCAP update, the EIR for which evaluated cumulative impacts related to additional annual mine production in the CCAP area.

CEMEX is not proposing to add any additional area or reserves for mining purposes. CEMEX anticipates that the construction and real estate markets will continue to fluctuate and in certain years production may be higher than in other years. If the facility sales volume approaches the requested production level of 1,500,000 tons sold per year for multiple consecutive years, then CEMEX would likely accomplish the reclamation plan objectives for the mine sooner rather than later. This would include reclamation to a combination of agriculture, habitat, and lakes, and delivery of net gains to the citizens of Yolo County, subject to any future changes to these entitlements.

Other than the requested change to annual production limits, the other aspects of the Project application submitted February 28, 2018 and as modified by Addendum 1 on April 1, 2020, remain the same.

2. Reclamation Acreages Comparison – Existing vs. Proposed Plan

As compared to the prior application submittals, CEMEX proposes no new changes to the footprint/areas proposed for mining and reclamation. Table 1 below provides a comparison of reclamation end uses and acreages for the current entitlements and proposed Project.

Table 1

Reclamation Acreage Comparison – Current vs. Proposed

	Agriculture	Habitat	Lakes	Slopes & Roads	Total
Phase	(± acres)	(± acres)	(± acres)	(± acres)	(± acres)
Current Entitlements					
1	120 ¹	3	13 private	4	140
2	61			4	65
3	90	19	17 private	3	129
4	83	13	20 public	3	119
5	67	17	46 public	4	134
6	15	9	57 public	3	84
7	10			5	15
Plant Site	30				30
Total	476²	61	153	26	716
Proposed Project (Acreages per Zentner Habitat Restoration Plan, March 2020)					
1	124.5	5.8		0.4	130.7
2	63.7				63.7
3	91.7	5.4		2.9	100.0
4	111.3	8.1			119.4
5		27.5 (shoreline) ³ 5.6 (other)	106.6 public	5.9	145.6
6		32.0 (shoreline) ³ 6.1 (other)	103.8 public	4.1	146.0
7	20.0	1.0			21.0
Plant Site	27.4	6.2		1.3	34.9
Total	438.6	97.7	210.4	14.6	761.3
Delta (Proposed Project vs. Current Entitlements)					
	-37.4	+36.7	+57.4	-11.4	+45.3
Other Additions					
Creek Setback		68.7			68.7
Other Buffer				4.6	4.6
I-505 Buffer		2.3			2.3
Net Total	-37.4	+107.7	+57.4	-6.8	+120.9

Sources

- 1. Current Entitlements: acreages per Development Agreement #96-287, dated December 17, 1996, at Recitals V and VI, as well as County letter approval of *Minor Modification to the Cemex Reclamation Plan*, dated March 12, 2014, to clarify 30 acres at the plant site to be reclaimed to "agricultural use."
- 2. Proposed Project: acreages per Habitat Restoration Plan (Zentner March 2020).

Notes:

- 1. Current Entitlements: Phase 1 reclamation to Agriculture includes 20 acres for Farnham parcel plus 100 acres for Hutson parcel (previously mined but still requiring reclamation), for 120 acres total.
- 2. Current Entitlements: reclamation to Agriculture includes 223 acres identified as "row crop," 223 acres identified as "tree crop," and 30 acres of general "agricultural use".
- 3. Proposed Project: Shoreline habitat as described in the Habitat Restoration Plan (Zentner, March 2020).

Mr. JD Trebec December 21, 2020 Page 5

We look forward to discussing this request and commencement of the CEQA process at the earliest possible time. Please feel free to contact me at 916-825-4997 with any questions.

Sincerely,

Yasha Saber Managing Partner

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Enclosures:

Attachment 1 Project Description Narrative

Attachment 2 Revised Reclamation Plan Narrative

cc: Steve Grace, CEMEX

Elisa Sabatini, Yolo County

Heidi Tschudin, Tschudin Consulting Group