
Appendix I



April 12, 2021

Ms. Elisa Sabatini, Manager of Natural Resources
Yolo County Office of the County Administrator, Natural Resources Division
625 Court Street, Room 202
Woodland, California 95695

Re: Teichert Shifler Mining & Reclamation Project – Teichert’s commitment to reducing greenhouse gas emissions and climate change impacts

Dear Ms. Sabatini:

During the public comment period on the Draft Environmental Impact Report (DEIR) for Teichert’s Shifler Mining and Reclamation project, comments were received expressing concerns regarding the project’s greenhouse gas (GHG) emissions and contribution to climate change. In particular, the public comments referenced the County’s recent passage of Resolution No 20-114.

As you know, last fall, the Yolo County Board of Supervisors declared a climate crisis requiring urgent and inclusive action (Resolution No. 20-114). As part of that Resolution, the Board reaffirmed and strengthened its commitment to combat climate change through an expeditious reduction in Yolo County’s greenhouse gas emissions. Teichert applauds this policy objective, which is consistent with our own corporate priorities.

More specifically, Resolution No. 20-114 commits to “effect a just transition to an inclusive, equitable, sustainable, and resilient local economy while also supporting and advocating for regional, national, and international efforts necessary to reverse the climate, social justice, and economic crises.” The Shifler mining and reclamation project is consistent with the stated objectives of the Resolution. It will help the County to achieve an inclusive, equitable and sustainable local economy while furthering its GHG reduction goals in the following ways:

- 1. A local source of aggregate is essential to reducing GHG emissions. The Project would result in substantial GHG reductions when compared to other, more-distant aggregate mining locations.**

Aggregate-based construction material (concrete, rock, gravel and sand) is necessary for the construction and maintenance of nearly all development, including buildings, bridges, roadways, bike paths, and sidewalks. Aggregate products are the foundational material for all of the built environment. As such, every community needs access to aggregate materials.

One of the most climate-impactful aspects of construction is the transport of the materials. In California, 47% of CO2 emissions including 41% of GHG emissions come from transportation. GHG emissions associated with transporting aggregate can vary greatly depending on how close an aggregate mining site is located to its intended market. The closer the source, the shorter the haul distance – which, in turn, results in reduced vehicle miles travelled and reduced greenhouse gas emissions. For this reason, a local source of aggregate is essential to reducing GHG emissions.

The Project would allow for the continuation of aggregate mining and processing operations at Teichert's Woodland Plant and retain Teichert as an operator in Yolo County. The Woodland Plant is currently the closest aggregate mining and processing facility to its market area which includes nearly all of Yolo County, as well as portions of Natomas and Dixon. If the Project were not approved and existing reserves were to be exhausted, Yolo County's construction and roadway maintenance projects would have to obtain aggregate from more distant sources resulting in an increase in GHG emissions.

It is estimated that the average haul distance and the associated aggregate transport emissions would increase by 20% if that demand for aggregate were met by other aggregate sources in Yolo County that are less centrally located, such as those near Esparto. Haul distances and associated transport GHG emissions would increase by even more if demand for aggregate were met through importation from out-of-county sources. For example, there are aggregate mining operations in eastern Sacramento County and considerable sources of material in Yuba County; either location is a logical source from which to import aggregate material to Yolo County. However, GHG emissions associated with aggregate transport would increase by 92% if the demand for aggregate were met by importing aggregate from eastern Sacramento County and by 153% if the demand were met by importing aggregate from Yuba County. Clearly, this is not in the best interest of combatting global climate change.

The Project would ensure the continued availability of a local source of aggregate to supply the growing aggregate needs of Yolo County. Thus, the Project would result in a considerable reduction of GHG emissions from aggregate truck transport from more distant in-county and out-of-county sources.

2. Teichert's Shifler mining site and the continued operation of the Woodland Plant will help provide economic stability for the County by offering well-paying union jobs for its residents.

Teichert currently employs approximately 259 people from our Yolo County operations, where we have been a contributing member of the County economy since the 1950's. Between the offices north of Davis, a plant in Esparto, and a plant in Woodland, Teichert is a meaningful participant in Yolo County's economy. The Woodland Plant currently employs 28 individuals, including 22 operating engineers, one teamster, one laborer, and four clerical staff, the overwhelming majority of whom live in Woodland and unincorporated Yolo County. In addition to direct employment offered by Teichert, numerous third-party employees benefit from the aggregate product produced at this site, such as, truck drivers, construction workers, manufacturing plant workers, etc. As such, Teichert is and will continue to be an important provider and supporter of jobs throughout Yolo County. With President Biden's anticipated economic recovery plan emphasizing long-overdue repairs to the nation's infrastructure, the construction industry's role in the economic recovery will be a critical one.

3. Teichert is leading the industry with its commitments on reducing GHG emissions and combating climate change.

Teichert has long been committed to operating in the most environmentally friendly way possible by utilizing equipment that reduces GHG emissions, conserving energy, generating green

and carbon-free energy, managing energy usage away from peak demand periods, reducing waste and promoting sustainability, and supporting local non-profit organizations that share these values. This commitment to the environment is demonstrated everywhere that Teichert operates.

For example, in 2010, Teichert installed a 1.5-megawatt wind turbine at our Vernalis Plant near Tracy in San Joaquin County. The wind turbine can supply up to 20% of the total energy used at the plant, which has the effect of removing 1,300 metric tons of CO₂ annually or the equivalent benefit of planting 300 acres of trees in the Tracy area. Closer to home, here in Yolo County, the Woodland Plant has installed a 70-kilowatt solar array in 2008 which has generated over 1.8 GWh of electricity; this is the equivalent of 2,469 metric tons of carbon offset. On an ongoing basis Teichert's environmental and engineering departments are evaluating our other sites for wind and solar power generation opportunities.

While operating as California's oldest active general contractor, Teichert continues to look at opportunities to innovate and meet the needs of the State. This includes the creation of the Teichert Energy & Utilities Group, including Teichert Solar to meet the growing demand of highly skilled contractors to offer turn-key solar solutions on time and on budget. Teichert Solar has installed facilities that provide over 100 megawatts of solar electricity in California.

As mentioned previously, a large percentage of carbon and GHG emissions come from material transportation. To help combat harmful exhaust emissions, state law requires companies to convert their vehicle fleets to comply with emission and performance requirement standards. Teichert has taken this charge to heart and is currently 20% ahead of the Tier 4 engine requirements thereby exceeding the state mandate.

Beyond our corporate commitments, in Yolo County specifically, Teichert has implemented a number of GHG-reducing and sustainable practices. For example:

- All aggregate material mined by Teichert in Yolo County is transported to the respective processing plants utilizing electric conveyor systems, thereby reducing the need for internal combustion engine powered equipment.
- Additionally, the rock processing plants have been converted to all-electric.
- The asphalt plant at our Woodland Plant has been upgraded to include additional insulation on the drum dryer and a computer managed frequency drive exhaust fan which both result in reduced energy demand required to operate the plant.
- Teichert utilizes Valley Clean Energy, which has a greener energy portfolio than PG&E, to provide electricity for the Esparto Plant and the office facilities at the Woodland Plant. At the Esparto Plant site, Teichert participates in a program that will take the plant off-line when estimated power demand in the region is forecast to be high. This allows for more efficient use of the existing regional energy infrastructure and helps to reduce the need for additional potentially less green power generation while helping prevent regional brownouts.
- The Woodland Plant site also operates a concrete and asphalt recycling operation which allows contractors to bring material that could otherwise end up at a landfill to our plant site where it can be recycled. The recycled material is able to replace the use of both new aggregate and asphalt oil. By recycling the asphalt oil material, it reduces the need for purchasing and transportation of refined asphalt oil and the

reuse of aggregate material maximizes the use of the mining site, prolonging the life of site reserves.

4. The Shifler mining and reclamation project will help further Yolo County's transition to a clean and inclusive economy

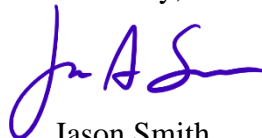
In addition to the Resolution No. 20-114, Yolo County has adopted a Climate Action Plan (CAP). The CAP includes targets, strategies and benchmarks all tailored to achieve its goals of implementing smart growth, reducing greenhouse gas emissions and responding to global climate change. Many of Teichert's actions to reduce greenhouse gas emissions and energy usage, as discussed previously, have helped Yolo County make progress on achieving its CAP goals.

The Shifler mine project provides an opportunity for Teichert to implement additional actions to help Yolo County progress toward reaching its climate goals. Specifically, in Measure E-1 the CAP identifies pursuing a community choice aggregation program as an aggressive program to increase the use of renewable energy resources. This measure includes a target to have 75% of customers purchasing a "light green" portfolio which contains 50% renewable sources, and 25% of customers purchasing a "deep green" portfolio which contains 100% renewable sources by 2030.

The goal of creating a community choice aggregation program has been reached through the formation of Valley Clean Energy (VCE) which is offering cleaner power to customers throughout Yolo County. As mentioned, Teichert already utilizes VCE to power its Esparto Plant. As part of this project, Teichert will transition its Woodland Plant to a green energy portfolio. We commit to transitioning the aggregate processing plant and office facilities to an energy portfolio that meets or exceeds the "light green" renewable levels by 2025 and "deep green" renewable levels of 100% renewable by 2030.

As discussed above, Teichert is committed to helping the County achieve its GHG reduction goals. And we reiterate the point that, the best way to reduce GHG emissions from construction and infrastructure maintenance is to retain a reliable local source of aggregate material that is being provided by a trusted community partner. Please let us know if you have any questions or need additional information regarding this matter.

Sincerely,



Jason Smith

Enclosures

cc: Heidi Tschudin, Contract Planner
Michael Smith, Teichert Aggregates
Taylor & Wiley