

Response to Comments

APCD letter dated 1/23/23

1. General Comments

- a. Nuisance Odors from Wineries Wine production facilities can generate nuisance odors during various steps of the process. Proven methods for handling wastewater discharge and grape skin waste need to be incorporated into the winery practices to reduce off-site odor. Odor complaints could result in a violation of the SLO County APCD Rule 402, Nuisance.

Response: As noted in the MND, wine production facilities can generate nuisance odors during various steps of the process. As part of Phase 2, grape waste and wastewater from production will be collected in tanks on site, treated, and leftover solids will be hauled to approved, permitted receiver sites. Mitigation Measure AQ-4 (refer to MMRP), which would require compliance with SLOAPCD permitting requirements for stationary sources, will require a “permit to operate” from SLOAPCD. In accordance with SLOAPCD permitting requirements, this would substantially reduce odors associated with on-site wine processing processes. With mitigation, this impact would be considered less than significant.

- b. Developmental Burning APCD Rule 501 prohibits developmental burning of vegetative material within San Luis Obispo County.

Response: Mitigation Measure AQ-1(I) already notes that the burning of vegetative material shall be prohibited.

- c. Construction Permit Requirements: Based on the information provided, we are unsure of the types of equipment that may be present during the project’s construction phase. Portable equipment, 50 horsepower (hp) or greater, used during construction activities may require a California statewide portable equipment registration (issued by the California Air Resources Board) or an APCD permit. The following list is provided as a guide to equipment and operations that may have permitting requirements but should not be viewed as exclusive:

- Power screens, conveyors, diesel engines, and/or crushers;
- Portable generators and equipment with engines that are 50 hp or greater;
- Electrical generation plants or the use of standby generators;
- Internal combustion engines; and
- Tub grinders.

Response: Mitigation Measure AQ-2 is already included and addresses the above comment.

- d. Operational Permit Requirements: Based on the information provided, we are unsure of the types of equipment that may be present at the site. Operational sources may require APCD permits. The following list is provided as a guide to equipment and operations that may have permitting requirements but should not be viewed as exclusive:

- New wineries or expanding wineries with the capacity of 26,000 gallons (10,000 cases at twelve 750 milliliter bottles per case) year or more require a Permit to

Exhibit D

Operate for fermentation and storage of wine;

- Portable generators and equipment with engines that are 50 hp or greater;
- Any stationary or portable agricultural engine over 50 hp
- Electrical generation plants or the use of standby generators;
- Boilers;
- Small scale manufacturing;
- Internal combustion engines; and
- Cogeneration facilities.

Response: Mitigation Measures AQ-2 and AQ-4 are already included and address the above comments.

2. Air Quality

- a. The project proponent evaluated the construction impacts of this project using the most recent CalEEMod computer model. The modeling results indicate that the construction phase impacts will likely be less than the APCD's significance threshold values identified in Table 2-1 of the CEQA Air Quality Handbook (April 2012). Therefore, besides the requirements below, the APCD is not recommending construction mitigation measures for this project.

Response: The MMRP already includes the Fugitive Dust mitigation measures under AQ-1 as required.

- b. Based on the project proponent's operational phase emission estimates using the most recent CalEEMod computer model, the operational phase emissions, not including the fermentation process, would likely exceed the APCD's daily operational phase ozone precursor emission threshold identified in Table 3-2 of the CEQA Air Quality Handbook. With the implementation of Mitigation Measures AQ-3 and AQ-4, the excess ozone precursor impacts are adequately address per Table 3-5 of the APCD CEQA Air Quality Handbook. Emissions associated with the fermentation process will be addressed separately in the APCD permitting process.

Response: Noted that implementation of AQ-3 and AQ-4 will address operational emissions.

3. Greenhouse Gas Emissions

- a. The project proponent evaluated the greenhouse gas (GHG) impacts of this project using the most recent CalEEMod computer model with the results included in Table 19 and 20 on Attachment 5 of the Initial Study and Mitigated Negative Declaration (IS/MND)... APCD deems Mitigation Measure (MM) GHG-1 and 2 to be consistent with the interimguidance. Their implementation will mitigate the project's GHG impacts to a level of insignificance... The IS/MND compared the GHG emissions from the future APCD permitted fermentation process (934 MTCO₂e/yr) to the APCD's stationary source GHG threshold of 10,000 MTCO₂e/yr. GHG emissions from the project's fermentation process are considered by APCD to be less than significant.

Response: It is noted in the MND that implementation of GHG-1 and GHG-2 will address GHG emissions. The MMRP requires that the applicant satisfy these prior to issuance of a permit, and for the applicant to submit verification from the ARB approved registry for carbon offsets. These verified implementation remarks should address APCD's concerns related to implementation of GHG-1 and GHG-2.

Exhibit D

DTSC letter dated 1/23/23

1. Has the City looked at other sources besides the Cortese List (e.g., DTSC's EnviroStor data management system) to ensure the Project site is not impacted by hazardous waste or hazardous substances?

Although the applicant did submit a Phase 1 Environmental Site Assessment (ESA) for the entire site, it was not initially referenced in the CEQA document. In response to the DTSC's inquiry, with the additional environmental records search referenced in the ESA, the study concluded that it found no evidence of Recognized Environmental Conditions (RECs), no evidence of Historical Recognized Environmental Conditions (HRECs), no evidence of Controlled Recognized Environmental Conditions (CRECs), and no evidence of Business Environmental Risks (BERs). Based on the data retrieved by the Cortese List and the analysis of the Phase 1 ESA, the Project site is not impacted by hazardous waste or hazardous substances.

2. If there are hazards or hazardous materials on the Project site, the appropriate environmental regulatory agency should provide regulatory concurrence that the Project site is safe for construction and proposed use.

Response: Mitigation Measure AQ-5 addresses this concern.

3. MND should look at the potential for historic or future activities on the Project site that will result in the release of hazardous waste substances.

As noted in the response (1) above, the Phase 1 ESA concluded there is no evidence of historical recognized environmental conditions (HRECs).

4. Will demolition, if any, for the Project risk the release of hazardous materials, e.g., asbestos or lead-based paints?

Response: Mitigation Measure AQ-5(b) requires all hazardous materials to be handled and disposed of in accordance with local, state, and federal regulations. Further, it says that according to the Department of Toxic Substances Control (DTSC), if the paint is not removed from the building material during demolition (and is not chipping or peeling), the material can be disposed of as construction debris (a non-hazardous waste). AQ-5(c) requires that prior to any grading activities, a geologic evaluation shall be conducted to determine if naturally occurring asbestos (NOA) is present within the area that will be disturbed, with further requirements if NOA is found.

5. Ensure soil import is free of contamination.

Response: Section 20.16.050.F.2 of the PRMC states that "no deleterious material shall be permitted in fills".

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6. Check Project site for prior use of pesticides.

According to the Phase 1 ESA, the long-term use of the Subject Property for agricultural purposes indicates the potential for agricultural chemicals (pesticides, herbicides, etc.) to have been applied. It is the applicant's opinion that the risk for contamination at the subject property is minimal based on the proposed use, and that no further investigation is warranted at this time. If the property land use were to change to residential, a subsurface investigation would be recommended.

Caltrans letter dated 1/23/23

1. The MND should consider the project be conditioned to not begin operations until the Huer Huero Creek Bridge is operational. As an interim option until the bridge is operational, Caltrans recommends the restriction of left turn movements out of Airport Road, requiring all vehicles to use the signal at Golden Hill Road. Passenger vehicles can make the U-turn at Golden Hill and trucks can turn left onto Golden Hill Road and then turn left onto Union Road to access eastbound SR 46. This would be similar to the detour currently being used for the roundabout construction at the intersection of Golden Hill Road and Union Road, just the opposite direction.
Response: The City agrees with Caltrans recommendation and sees this option as being consistent with option (b) of TR-2.

Department of Conservation letter dated 1/27/23

1. To assist local permitting agencies, property owners, and developers in making wise land use decisions regarding potential development near oil, gas, or geothermal wells, the California Geologic Energy Management Division (CalGEM) has provided a well evaluation for the referenced project, including established well abandonment procedures should any wells be located on the property.
Response: Per the evaluation contained in the letter, there are no known wells on the property. No changes to the MND are required. This letter is informational.