

PUBLIC WORKS DEPARTMENT

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June 10, 2022

MEMORANDUM

TO: Mayor Paul and City Council

RE: Update of Lehigh and Steven Creek Quarry Activities

At the Council Study Session on January 19, 2021, City Council requested updates be provided on all items related to the quarries. Due to limited activity, this memo is being provided in lieu of a Study Session.

This memorandum provides an update on recent activities related to the Lehigh Southwest Cement Company/Permanente Quarry (Lehigh) and Stevens Creek Quarry (SCQ).

The County of Santa Clara (County) has received the following documents:

- 1. Reclamation Plan Amendment submitted by Lehigh Permanente Quarry but has been put on hold until Lehigh resubmits revisions to the application.
- 2. Reclamation Plan Amendment and Use Permit Applications submitted by SCQ.
- 3. Information on notices of violation for SCQ and Lehigh.

Background

Jurisdiction of Activities

The Lehigh and SCQ properties are located along the westerly edge of the City of Cupertino (City). Lehigh owns some property that is situated within the City's jurisdiction, but all of their operations, and all of SCQ's property and operations, are located within the jurisdiction of the County of Santa Clara (County). The extent of each companies' reclamation areas are located wholly within the County's jurisdiction, and the City has no direct jurisdiction over their mining and processing activities.

Other public agencies have jurisdiction over surface mining activities on both properties, including the State Mining and Geology Board, San Francisco Bay Area Regional Water Quality Control Board, California Department of Fish and Wildlife, and Bay Area Air Quality Management District. The County is the lead agency for other projects on the properties, including the restoration of Permanente Creek.

Lehigh Permanente Quarry

Starting in late 2018, Lehigh Permanente Quarry submitted several applications to the County to amend and expand the Reclamation Plan for this property. The application consolidated prior applications and proposed to reclaim the existing quarry pit by filling it primarily with imported fill and to increase the maximum height of the West Materials Storage Area. The application also proposed to expand quarrying into a new area south of the current quarry pit (Rock Plant Reserve); to modify a 1972 Ridgeline Protection Easement held by the County to lower the ridgeline elevation located above the main pit; and to allow export of aggregate materials from Lehigh to SCQ for processing and sale. Lehigh has stated they will be revising the application, and the County is currently waiting for the revised information to be resubmitted. In late April 2022, Lehigh has stated that they anticipate resubmitting the revision within 180 days.

On November 9th, the County issued a staff report to their Housing, Land Use, Environment, and Transportation Committee (HLUET) providing the status of the Lehigh Permanente Quarry 2021 Financial Assurance Cost Estimate (FACE) and including information that a consultant had been retained to conduct a comprehensive review of the FACE to determine adequacy. This additional oversight is due to the large amount that the reclamation of Lehigh Permanente Quarry is estimated to cost (\$62,458,227). On January 11, 2022, the County Department of Planning and Development determined that the FACE was inadequate and requested a revised FACE be submitted that addresses various County comments. On April 8, 2022, Lehigh resubmitted the FACE, which is currently being reviewed by the County.

On March 2, 2022, Supervisor Simitian held an online virtual community meeting regarding Lehigh. The purpose of the meeting was to discuss the status of various local, state, and federal oversight efforts and other information regarding the quarry operations. You can access the recording of this meeting here.

On June 7, 2022, the County Board of Supervisors received a report on Lehigh's violations over the last 10 years. The report provided a summary of all noticed violations of permits, laws, statutes, regulations, ordinances, consent decrees, and other court actions involving Lehigh from January 1, 2012 through December 21, 2021. A copy of the letter can be found on the City's website here.

Additional information regarding Lehigh, including application materials, is available on the <u>County's</u> website. Interested individuals can sign up for the County's "Interested Parties" list for Lehigh on the County's website. The City also maintains a <u>webpage</u> linking recent correspondence related to both applications. An interested person can also sign up for notifications when the City posts new information by selecting this option at the City's webpage.

Stevens Creek Quarry

SCQ entered into a Compliance Agreement with the County in 2018 which required various violations to be cured and to update approvals, plans, and financial assurances for the property,

including quarry operations. Pre-application materials were submitted in 2019 for a Use Permit and Reclamation Plan Amendment that would govern the entire property.

The original application submitted by SCQ proposed to allow SCQ to deepen the quarry pit, import aggregate from Lehigh for processing and sale, and continue other operations on the property for the next 30 years. The application also proposed to import fill to backfill the quarry pit during reclamation. On August 26, 2021, the County Planning Commission denied SCQ's zoning interpretation. As a result, SCQ modified their project description to eliminate mention of this import and will not be allowed to import and process material from Lehigh Permanente Quarry without further changes to its application. On October 8, 2021, SCQ resubmitted their Major Reclamation Plan Amendment and Use Permit application. On December 8, 2021, the County deemed SCQ's application complete and is beginning preparation of the Environmental Impact Report.

On August 11, 2021, the County issued a notice of violation to SCQ for multiple violations to County codes and ordinances that were discovered during the 2021 inspection related to SCQ's Use Permit and Reclamation Plan Amendment application. The County and SCQ entered into a Compliance Agreement on April 8, 2022, which requires SCQ to cure these violations and sets time limits to remedy the violations.

The County provides links to SCQ's current and past applications and Reclamation Plans <u>here</u>. The City's <u>webpage</u> includes recent comments related to SCQ and both pages provide opportunities for people to sign up for notifications related to SCQ's applications.

<u>Sustainability Impact</u>
No sustainability impacts.