

**NEVADA COUNTY PLANNING COMMISSION
NEVADA COUNTY, CALIFORNIA**

MINUTES of the meeting of August 8, 2024, 1:30 p.m., Truckee Town Hall Council Chambers, 10183
Truckee Airport Road, Truckee, California.

MEMBERS PRESENT: Chair Mastrodonato and Commissioners Duncan, Garst, McAteer, and Milman.

MEMBERS ABSENT: None

STAFF PRESENT: Principal Planner, Tyler Barrington; County Counsel, Katharine Elliott; Senior
Planner, Kyle Smith; Associate Planner, David Nicholas; Administrative Assistant, Jodeana Patterson.

PUBLIC HEARING:

Alpenglow Timber Conditional Use Permit and Mitigated Negative Declaration.
PLN23-0054; CUP23-0004; EIS24-0004:

Page 2, Line 46.

STANDING ORDERS: Salute to the Flag - Roll Call - Corrections to Agenda.

CALL MEETING TO ORDER: The meeting was called to order at 1:32 p.m. Roll call was taken.

CHANGES TO AGENDA: Chair Mastrodonato asked if there are any corrections to the agenda.

Principal Planner Tyler Barrington advised there were no changes to the agenda.

PUBLIC COMMENT: Members of the public shall be allowed to address the Commission on items not
appearing on the agenda which were of interest to the public and were within the subject matter jurisdiction
of the Planning Commission, provided that no action shall be taken unless otherwise authorized by
Subdivision (6) of Section 54954.2 of the Government Code.

Chair Mastrodonato explained to the attendees how the public comment process works, and opened public
comment at 1:34 p.m.

Seeing and hearing no public comments coming forward, Chair Mastrodonato closed public comment at
1:34 p.m.

COMMISSION BUSINESS: None.

CONSENT ITEMS: None

PUBLIC HEARING:

1:30 p.m. PLN23-0054; CUP23-0004; EIS24-0004: A proposed Use Permit application to allow for the
construction and operation of a mixed-use development including a forestry management and material
processing facility supported by a wood fired boiler and associated structures (facility), and six residential
dwelling units for State-Regulated Employee Housing in three duplexes located on an approximately 124-
acre subject property at 10375 Silverado Way in Truckee, California. **LOCATION:** The subject parcel is
located at 10375 Silverado Way in unincorporated eastern Nevada County, California, west of State Route
89 and Prosser Creek Reservoir. **APN:** 016-530-031.

RECOMMENDED ENVIRONMENTAL DETERMINATION: Adopt the proposed Mitigated Negative Declaration and Mitigation Monitoring and Reporting Plan (EIS24-0004) pursuant to Section 15074 and 15097 of the California Environmental Quality Act.

RECOMMENDED PROJECT ACTION: Recommend Approval of the Conditional Use Permit (CUP23-0004). **Project Planner:** Kyle Smith. **Sup. District V.**

Senior Planner Kyle Smith introduced himself and began his presentation, as follows: (referencing an overhead slide projection): I'm the Planner assigned to this project, the Alpenglow Timber Use Permit, located at 10375 Silverado Way. The subject property is approximately 144 acres in size and situated within a Forest Service inholding. The Zoning and General Plan designation of this property is Forest 640, and the subject property has a portion of the property with a Scenic Corridor Combining District overlay, which is seen on the screen in the thin red lines that run parallel to Highway 89. The combining district extends approximately 650 into the subject property on the northern edge and approximately 100 feet on the southern edge, as shown on the screen. The surrounding properties are all similarly zoned as Forest 640, except the Hobart Mills industrial site on the east side of Highway 89. In 2001, the Nevada County Planning Commission approved a use permit for a church, amphitheater, and other associated structures. That project was never developed, and all the land use entitlement approvals are no longer valid because the project was not developed within the seven-year development timeframe. There is an historic solid waste site on the southern edge of the parcel that has been there since before the Church project. That's when it was identified by the County Department of Environmental Health. This site will both be avoided through project design and Conditions of Approval, and it will also be required to achieve a Clean Closure Certification by State Regulators and the Department of Environmental Health prior to final implementation of the project. The subject property is currently being used for temporary log storage. In 2021, this temporary log storage use was determined by the Nevada County Planning Department to be an allowed use consistent with the purpose of the Forest Zoning District. As a result, no land use entitlements are required for the temporary log storage. There is a code compliance case open on the subject property generally pertaining to some unpermitted Conex containers on the site and some other activities, and similarly, that file will be required to be closed and come into compliance prior to final implementation of the project. A little bit about the project: it can be thought of as generally having three components. The first is the sawmill facility component, which includes a number of structures that I will detail in the following slides, a residential facility component, including six units of employee housing, as well as supporting infrastructure, water tank for fire suppression activities and to serve the project, electricity extensions, and road improvements, essentially from State Route 89 through the project site to all of the structures. [He indicated] an image of the site plan, which will see a few times throughout this presentation, but wanted to give one kind of large view here for everybody to see early in the presentation. The sawmill facility includes a number of structures, primarily a 48,000-square-foot sawmill with a 6,000-square-foot attached boiler plant structure, a 15,000-square-foot firewood storage structure, a 9,600-square-foot workshop, a 3,000-square-foot area that will be the location of three dry kilns, and then approximately four and a half acre area on the other side of the proposed interior road for log decks and a partially enclosed debarker. Additional structures and facilities for the sawmill include truck scales, parking areas, and fuel and water storage areas. The residential and infrastructure components include six units of state-regulated employee housing, including three one-bedroom units and three three-bedroom units. A 200,000-gallon water storage tank, which is functioning to serve both fire suppression activities and the project components, both the residential and sawmill facility components, and then a number of road improvements starting from the encroachment to State Route 89, up Klondike Flat Road, Silverado Way, and serving the internal connections to both the sawmill facility structures, as well as the residential duplexes. The construction has a 22- to 24-month proposed construction timeline. However, the Land Use and Development Code allows for an initial three-year development time frame with the potential for two two-year extensions through extensions of time that could be approved if the development is not completed within that first three years. The proposed operations are currently proposed to operate six days a week, Monday through Saturday, from 7:00 a.m. to 10 p.m. to support two shifts. However, the biomass boiler and three kilns would potentially operate 24/7. The boiler to serve as energy production and heat for all the components and the kilns to dry the wood that is a function of the sawmill. A Condition of Approval and Mitigation Measure has been developed and proposed by staff to limit truck trips to only into daytime hours from 7:00

a.m. to 7:00 p.m. in order to mitigate some of the truck noise during the nighttime hours to the Klondike Flat subdivision and surrounding parcels. The proposed project has been designed to comply with the Forest Zoning District site development standards. A few of them I have up there are property line setbacks 45 feet from the front, which is the northern property line, essentially, and then 30 feet from all side and rear property lines. Building height limits for a zoning district allows for buildings up to 45 feet, or three stories per maximum impervious surface area; that includes roof lines, asphalt...think of anything that water cannot permeate through to get to the ground, is limited to no more than 5% of the overall subject property area, and the Land Use and Development Code also requires at least 20% of the subject property to be retained as permanent open space. The project has been designed to achieve all these site development standards. For some additional design and comprehensive site development standards, the facility and residential structures have been designed to comply with the Nevada County Eastern County design guidelines. They will be utilizing a CMU split-wall face at the bottom few feet, as shown in the rendering here, with metal siding, metal roofs, metal roll-up doors, and then aluminum window frames for the windows and in primarily in the sawmill and boiler plant structures. This project and all structures are conditioned and mitigated to both utilize earth tones to fit in with the natural environment and also to limit reflectivity from any building materials to limit any of the esthetic impacts or potential lighting impacts. The residential buildings, the three proposed duplexes, are designed as shown here in this rendering with wood siding and wood trim, traditional asphalt roofing, and some heavy timber architectural elements. I would like to note that the employee housing component is subject to the standards defined in the California Employee Housing Act and will both be permitted and inspected and will receive annual inspections from the State Department of Housing and Community Development under their Employee Housing Program. The proposed project includes 24 lights on facility buildings, utilizing LEDs area lights; that's the light that is furthest up in the screen here, over the roll-up doors on the sawmill boiler plant structures, and then utilizing LED gooseneck lights; that's these other lights shown on here, over all of the pedestrian doors, for safety and to provide employees light in the dusk or evening hours. As a standard Condition of Approval and to comply with the Land Use and Development Code, all lighting for the proposed project is required to be downcast and shielded, and to implement sensors to avoid light spillage. These traditionally include motion or time sensors but could include heat sensors or other types of things. We don't have specific sensors identified in the Condition of Approval, but they are required to be censored to limit the times that those lights are on so they're not running essentially all night. The project is proposing to use the existing native vegetation on the subject property; it is traditionally pine woodlands for screening and landscaping. The project does include a proposed screening berm that would be vegetative, nearby the entrance to reduce visibility to the structures from the entrance to the project site. The development would not be visible from State Route 89, primarily due to topography. The highway goes into a little cut there, so there's a pretty significant vertical change from the highway grade, and also through the native vegetation that exists on site. The project Applicant has proposed two signs on the subject property; one would be a monument sign located at the property line that's on the eastern or right side, highlighted in the red circle here, and a directional sign located at the facility entrance to provide users some wayfinding to get to the sawmill facility. The signage design was designed consistent with the community design standards outlined in the Land Use and Development Code and East County design guidelines, with a board-formed concrete base, heavy timber frame, and metal actual signage. This image here is the monument sign. However, the directional sign is also included in the Staff Report and other materials for everyone's review. So that was going through most of the site development standards defined in the Land Use and Development Code. I'll transition to some of the environmental analysis that was conducted for the proposed project, starting with air quality. The proposed project was reviewed by County staff and the Northern Sierra Air Quality Management District, both for potentially reasonable, foreseeable impacts and for consistency with the Air District's regulatory authority. Construction of the project is required to comply with a number of the Air District's requirements, including having a dust control plan, vehicle operational requirements (which do include limiting idling time and utilizing vehicles that achieve Air District emission standards), and then in order for the boiler and facility to operate, they are required to receive what is called an Authority to Construct or Permit to Operate from the Northern Sierra Air Quality Management District prior to finalization of those permits. As a part of that Authority to Construct, the Air District does annual inspections and constant monitoring of the outputs of the boiler. The operational component, once the project would be constructed, is required to limit the number of criteria air pollutants that are defined by

the Air District and by the State Air Resources Board. Conditions and Mitigation Measures have been placed on the project to both meet all statewide and district emission standards. The second one [referenced on the slide]: to include selective catalytic reduction device to limit nitrous oxide emissions from the proposed project due to the Air District not quite being in a non-attainment zone for that criteria air pollutant, but their district is fairly close to being in non-attainment, so in an effort to limit cumulative impacts of nitrous oxide, this device will be required to be fitted to the boiler units. The proposed project, including the residential component, will be required to utilize energy-efficient utilities, generally beyond Title 24 standards; these apply to lighting, heating, and other systems that can utilize these energy-efficient technologies. All of these Conditions and Mitigation Measures are inspected and checked by either the County or many of these are under the regulatory authority of the Northern Sierra Air Quality Management District. Moving on to biological resources: similarly, the project was reviewed by staff and the California Department of Fish and Wildlife for impacts to both biological impacts and water quality. There are a number of potentially sensitive species whose habitat could either exist onsite or nearby, or there have been recordings of those species nearby. Each of these species have slightly different analysis areas, as shown by the map on the screen here. All of these species are going to be required, prior to any construction, to have species surveys done to preferably avoid any impacts. Should avoidance not be at all possible, there are Mitigation Measures assigned to each of these specific species to avoid any potential harm; that could include shifting the construction timeline to non-nesting or non-breeding seasons, having environmental monitors out on site, and other activities to find in these Mitigation Measures 4A through 4E to limit impacts to sensitive species. The western bumblebee is a fairly newly listed candidate species for the California Endangered Species Act, was listed in 2022, I believe, and we did receive comments from Department of Fish and Wildlife that the potential for the species could exist due to habitat nearby and the migratory or transitory nature of bees. As a result, following the publication of the Staff Report, staff has included a clarifying Mitigation Measure for western bumblebees, similar to that of the other sensitive species listed here. In addition, the project is required to protect water quality, both through a construction storm water pollution and prevention plan for construction, and then to enter into the industrial permit, the Industrial Stormwater Pollution Prevention Plan for the operational aspect of the project. Moving to noise, the project was reviewed by County staff for reasonably foreseeable impacts and consistency with the noise standards defined in the Nevada County General Plan and Land Use and Development Code. Short-term construction activities are required to happen during daytime hours and on weekdays only, limiting vehicle idling to less than five minutes, and to locate stationary sources of noise like generators, heavy vehicles, etc., as far from residences as practicable during the construction phase. During the operational phase, the proposed activities have been modeled to adhere to daytime, evening, and nighttime standards of the Forest Zoning District that are defined in Land Use and Development Code and the General Plan. All traffic and similarly with traffic-related noise: due to the ambient noise level increases due to traffic noise, as mentioned previously, all truck traffic would be limited to daytime hours only, and under the noise modeling that was produced for the proposed project, noise increases related to traffic would be under a five-decibel criterion that has been identified by the Federal Interagency Committee on Noise, which identifies five decibels as a potentially significant impact. The project was also reviewed for traffic and transportation impacts by County staff, including the Department of Public Works, Caltrans, and the State Department of Transportation for foreseeable impacts to the transportation network, as well as compliance with both County and State roadway design standards. The change in traffic is not expected to result in significant impacts as identified by Caltrans or the County Department of Public Works. However, the change in traffic will likely result in changes to the traffic flow on both Klondike Flat Road and potentially State Route 89. Klondike Flat Road, as shown in this in this slide here, and all proposed internal roads leading to both the sawmill facility and the residential component, are required to be improved to fire safe road standards. Those would be inspected both by the Department of Public Works and by the fire agencies. Two Conditions of Approval have been included by Caltrans to increase sight distance along State Route 89, both looking north and south, to remove some vegetation that is in the Caltrans right-of-way, to increase the sight distance south and north. The project application is also required to coordinate with Caltrans to move a speed limit sign that is currently located about 100 or so yards north of the encroachment. They will be required to move that to enhance sight distance heading south down the State Route 89. With the implemental of those Conditions of Approval, sight distance going both north and south would achieve Caltrans requirements. The project was reviewed for fire safety and wildfire impacts by County staff as

well as by Cal Fire, which currently is the service organization for the subject property, and by Truckee Fire Protection District, which will be the service organization for the subject property to determine potential impacts, as well as consistency with regulatory bodies, standards, and requirements. The project is required to enter into Truckee Fire Protection District service area through one of two mechanisms orchestrated by the LAFCO (Local Area Formation Commission), one being a traditional annexation where the district would annex the property and actually bring it into their jurisdiction, and then a second could be an out-of-area service agreement. This flexibility was provided primarily for the district given the location of the subject site, because annexation may prove difficult because they may be required to essentially annex all of the lands up to that site that are not currently part of the district. This condition was drafted to retain some flexibility there. In addition, a 200,000-gallon water storage tank mentioned before, as well as extensions to an eight-inch water main line, have been determined to be adequate to serve both building sprinklers for all the proposed structures, use of the facilities, and the fire Department connections that exist on the subject site. All of the structures are required to meet the California Building Code, the Wildland Urban Interface (WUI) standards defined in the California Building Code, and Truckee Fire Protection District's Defensible Space Ordinance, which went into effect last year and which will mirror essentially Cal Fire's Defensible Space Ordinance that is upcoming. As mentioned in the last few slides, the County conducted environmental review of the project as lead agency under CEQA, and Planning Department prepared a draft Initial Study and Proposed Mitigated Negative Declaration pursuant to the California Environmental Quality Act or CEQA and the CEQA guidelines. This document was circulated initially for a 31-day comment period. We received a significant volume of comments and requests to extend the comment periods, and Planning staff, just due to the timing of things, couldn't extend the comment period, so we created an additional 31-day comment period. This project's environmental document was essentially out for review for a little over two months. Comments received by state agencies and regulatory agencies, both at the regional and County level, requested some revisions or modifications to a number of Mitigation Measures that are discussed in the Staff Report, but many of these changes were non-substantive in nature or clarified some specific requirements. I did mention the bumblebee Mitigation for the newly listed candidate species. Another, 4B, extended the monitoring season for a number of candidate birds and nesting bats for their longer nesting and roosting period. Nine A (9A) was the Hazardous Materials Section Mitigation, which clarified the Department of Environmental Health and Lahontan's Water Quality Control Board's responsibility relating to the solid waste site and Clean Closure Certification requirements under Lahontan's authority. As mentioned, these revisions that staff proposed were generally non-substantive in nature and clarified existing mitigation, and therefore did not rise to the level of recirculation requirements that are identified in the CEQA guidelines. The proposed project has been reviewed for consistency with both the Nevada County General Plan, the overarching policy document for development in the County, as well as zoning consistency with County zoning regulations and Land Use and Development Code. Staff is determined that the proposed project is consistent with the intent and design of the Forest General Plan Designation, and I have copied the intent directly out of the General Plan here, which reads, "This General Plan Designation is intended to provide for both the production and management of primarily timber resources, as well as compatible recreation and low-density residential uses, wherein the timber and forest resources are the primary use, while the recreation and lower density residential uses are also allowed in the Forest General Plan Designation, but similarly with the Zoning District. Staff has also determined that the proposed project is consistent with the Forest 640 Scenic Corridor Combining District Zoning Designation that currently exists on the subject property, because all of the proposed land uses, the lumber mill (which is identified as development and processing of natural resources in the Land Use and Development Code), the biomass boiler unit (which is identified as a private power plant, including biomass for biomass fuel production in the Land Use and Development Code), as well as employee housing. The employee housing is an allowed use, not subject to land use entitlements, subject to state regulatory authority, but without the other uses on the properties there would be no employee housing; that's why it's all sort of packaged together and brought forth to the Commission today. As discussed in previous slides, the project has either been designed or conditioned and mitigated to comply with all of the comprehensive site development standards that are outlined in the Land Use and Development Code, as well as community design standards and the Eastern County design guidelines, which are the design guidelines for everything essentially east of the Sierra ridge. Throughout the project application and review, essentially since the project is submitted in May of last year through to today, the Planning Department has actually received

more than 400 comments relating to this project. Some of the additional comments are both included in the memorandum to the Planning Commissioners that was published yesterday, August 7th, as well as there were a few comments I received sometime between last night when I left work and today when I started driving up to Truckee that have also been included for the Commissioners' benefit, and have been added to the back of the room in the staff packet. All of these comments that have been received today will be included in the project file. These comments identified both support for the project but also a variety of concerns that include, but are not limited to, this list here relating to impact and areas of concern relating to traffic, air quality, noise, community character, safety, and a number of other items that are both listed here and identified in the almost 700 pages of total comments that your Commission has received and reviewed. As discussed, Planning Department staff developed a memorandum to the Planning Commission that was published yesterday regarding additional comments that were received by the Department after the publication of the original Staff Report. Many of these comments reflect similar issues and concerns, which were identified on the last slide, as well as a couple more that [will be addressed] here. The first is a question of whether these comments achieved what the CEQA guidelines define as the fair argument standard and the substantial evidence test identified in the Guidelines' Code of Regulations 15384, which appear on the screen. Generally, the fair argument standard and substantial argument test can be met when technical experts have identified a potentially significant impact that was not identified in the Initial Study, and although a number of these comments in issue areas did identify concerns and issues with the environmental review, they did not identify impacts that rose to what is considered a significant impact pursuant to CEQA. Each of the environmental review and impact areas identified in CEQA generally have thresholds of significance to define either a no-impact scenario, a less-than-significant impact scenario, or a significant impact scenario. Impacts can be mitigated to a less-than-significant level. Should all potential impact areas be limited to this less-than-significant level pursuant to CEQA, the Mitigated Negative Declaration is the appropriate environmental document for the review. The next level up of environmental review is called an Environmental Impact Report. This level of document is only required and expected when there are significant impacts, identified as above those thresholds of significance for CEQA, and when those significant impacts are identified, that's the trigger for an Environmental Impact Report and a potential for the need for what's considered a Statement of Overriding Considerations, wherein in order to approve a project with significant impacts, the Statement of Overriding Considerations is required to be adopted. In addition to the CEQA discussion in the memorandum, the project Applicants and representatives submitted three addenda to technical impact analyses that were prepared for the proposed project: one relating to traffic, one relating to air quality, and one relating to noise impacts. These addendums attempted to analyze what was considered a "busiest day" scenario, so just the nature of the operations, and not every day would have the exact same level of impact. Those averages (and essentially aggregates) were identified in the initial and subsequent technical analyses. In order to provide some additional clarity about the essentially peak potential impacts on any one given day, these three addendums included this busiest day scenario and determined that even on the busiest day of operations, those three issue areas would not rise to a significant impact level. Even some sensitivity analyses were conducted to determine how close some of these impact areas were to potentially significant impacts, and many of them were not very close. I believe the level of service was an order of magnitude essentially five times higher than proposed project outputs. As a result, even under busiest day scenarios, environmental impacts would be limited to less-than-significant levels with mitigation, and as a result, the Mitigated Negative Declaration is the appropriate environmental document for the proposed project. With that, Staff has included recommendations here on the screen for [the Commission's] review, and I would be happy to respond to any comments that the Commissioners may have.

Planner Smith concluded his Staff Report.

Chair Mastrodonato thanked Planner Smith and offered attendees to sit in empty chairs in front. He invited the Commissioners to ask any quick questions for Planner Smith before hearing from the Applicant and the Applicant. No other Commissioners spoke. Chair Mastrodonato invited the Applicant to approach the podium and present to the Commission and attendees the project, what it does, and what it will achieve. He asked if the Applicant to give their name and position.

Representative Gavin Ball introduced himself as a local Planning Consultant in Truckee, both privately and publicly for over a 30-year-period in Truckee. He began his presentation, as follows: That's exactly what we're going to do today: provide the "what," and "where" and how did it evolve, what it is, where did it come from: that's exactly our presentation today. Thanks, Planner Smith, for an excellent presentation. You covered a lot of ground; it was really professional. You've been that way the whole time. We really appreciate it. There's a lot to cover, a lot that you provided. We'll make sure that we adjust the presentation here so we're not redundant and be efficient. Thanks to the Planning Commission for making the trip; welcome to Truckee. Today I'm going to be representing Mr. David Mercer and his wife and his project here in Truckee. It's known as Alpenglow Timber, and his directly related business, known as Crosschecked Services; that's the forestry management piece of this project and his business. I'm to start off by just giving a quick introduction to our team and to Mr. Mercer, who will give here in a minute his own presentation about who he is and his business. I'll defer to him. *[Indicates slide]* Our whole team is here, or most of the team we have. It's a very diverse and qualified, experienced team, all of which are ready to contribute. I'm not going to go through every name by way of efficiency and expediency, but they're here and ready. I will be giving the bulk of the presentation, but we're certainly going to be deferring to our team for any given answer based upon their experience and expertise. I'm going to let David Mercer speak a little bit about himself and give some background about the operation, his business, and himself, because it matters.

Applicant Mr. David Mercer introduced himself and started his presentation, as follows: thank you for making the trip over the hill, and thanks for everyone who showed up, it means a lot. It's good to see everybody here. I'm David Mercer, I was born in Tahoe City. There are some people in this room that were there when I was born, which means a lot to me. I was raised in Olympic Valley by a lot of other people that were in this room. My parents came here in the early 1970s. They started Dave's Deli in Squaw Valley, as it was known then. My mom ran that for 50 years. It's kind of where I grew up. Before that, my father had the Fanny Bridge Inn, which turned into the Bridge Tenders, so that was his roots here. I've worked at what was Squaw Valley, *[now]* Palisades, for most of my life. I started work in the forest and worked on and off the forest for about 35 years. I have had Crosschecked Services for the last 20. We are a forestry company, that's what we do. We pride ourselves on being stewards of the forest and to the land and to the community. I have a little statement there at the bottom *[He indicated a slide]* which you guys are welcome to read. Crosschecks Services is our forestry operation; we do forest thinning work. We thin it from below, we take out the small trees that shouldn't be there, because fires should have dealt with them, and we try and return the forest to its more natural state prior to when Europeans settled here and kind of mowed the forest. We're trying to get it back to where it's a fire-adapted forest, so that when we have fires, it's not going to burn our towns down. That's our goal, and to leave the forest in a way better condition than when we found it. I pride myself in how I live, that if I'm doing something, I leave it in a better state than how I found it, if I borrow something from somebody, or whatever it is. That's just how I am. The people who work for me, that's how we operate. We've been around for a while. I have employees who grew up here in Truckee, grew up in Tahoe. They've worked with me for a long time since I started this, and we take great pride in what we do. The challenges that we face: *[indicated a slide]* these are typical forestlands around here on the east side. They're really full of a lot of trees that shouldn't be there. They burn really hot when they burn, and we try and get them back to a state where the agencies and the landowners we work for can put fire back on the ground, or if fire naturally occurs, it doesn't wipe everything out. The challenge we've had of late is that we don't have anywhere to take our logs for a couple of reasons: SPI (Sierra Pacific Industries) being the only sawmill operator left in the state, at least anywhere around here; they don't take some of the species that grow here. Then when they have catastrophic fires like what's happening today in the Park Fire, which is burning north of a 100,000 of their acres, they *[SPI]* will shut everybody off and not take logs, because they have to deal with their own logs. That means we either deck logs like in this picture *[indicated a slide]* - those are from a couple of years ago - or we don't do the work. We would rather do the work, so we come up with a solution *[which]* was to kind of skip SPI and figure out our own solution for knowing the wood that we cut and what some of the other contractors around here are dealing with. *[Indicated a slide]* These are a lot of the people that we work for and support us and have since we started. We've worked for all of these agencies and landowners over the years, and currently work for a lot of them. *[Here are]* some of the other entities that are behind what we do in general as far as our forestry work and also what we're trying to do with this project. I think that's about that's about it for me.

377 Mr. Ball thanked Mr. Mercer and continued his presentation, as follows: (*referencing an overhead slide*
378 *projection*): Consistent with the very appropriate segway into what you're looking for from us, here is the
379 20-foot level sum that we're going to provide today. As mentioned, we're going to run through this pretty
380 quickly, especially as a lot of stuff is redundant, based on the really good and detailed staff presentation.
381 We're going to run through what it is, where it is, and where it came from. There's a story to be told there
382 in terms of its need, its benefit, and the approach into the design. We're going to be talking quite a bit about
383 both the property and the surrounding fundamentals, some of the details, a lot of which were covered by
384 Planner Smith, some of which were not. We'll also touch on some of the specifics and will mostly focus
385 on, appropriately because we've been hearing this quite a bit, traffic noise and air quality. The approach
386 that we're trying to bring here is fact based; we're really trying to bring a presentation that brings information
387 and is based on good data, analysis, and the conclusions of both the technical reports and the CEQA
388 document that it relied upon. Along the way, we're going to give you a smattering of context and clarity in
389 a couple of different ways. We're going to give more detail on how things relate spatially, historically, and
390 regulatorily. It's more than sawmill. There's been a lot of talk about the sawmill project, but there's another
391 piece to it: the Crosschecked Services, and they go hand in hand. They're mutually beneficial. They're
392 related. They're connected, and they're integral, and that matters because that provides efficiency in all
393 ways, and that's really what this project is trying to get to. There's also been a little bit of confusion, some
394 claims about being a biomass facility, and it's not that. This is a sustainable and efficient, biomass-based
395 boiler that provides thermal energy for both the operation and the sawmill, and all the buildings related to
396 the commercial project and also the residential. It's really efficient and innovative. It's a modern facility.
397 It utilizes safe technology, and it maximize the use of small logs, and that matters too; it's a key point of his
398 business and the efficiency that we're going to be talking about. It's modestly scaled. We want to say this
399 is not the SPI facility; it's not even near that in terms of size or production or truck traffic. As Dave
400 mentioned, he's local, which matters too. It was conceived by, is owned by, and is operated by him. He
401 therefore has that care and investment into his project, and it shows in what he does and in this project. At
402 the end of the day, the project goal is to advance forest health and reduce wildlife hazard. With that, and
403 by implementing that, we get to an end goal. This is not to be cheeky, and excuse my French, but at the
404 end of the day, this project and his operations are trying to help protect our collective derriere. It really is
405 about that. [*Indicated slide*] When you look at its relationship to not only Truckee, being a few miles north
406 of Truckee, but the fact that it's surrounded by 250,000 acres of forested land, and that's "forested" meaning
407 trees, and also "forested" meaning the U.S. Forest Service; it's a huge amount of land in which he operates.
408 It's not coincidental that this location is centered right in the middle of the area that he works in. This is his
409 region, everywhere from North Lake Tahoe, north in a 50-mile radius. That's where he works. He [*Mr.*
410 *Mercer*] had mentioned that it's 70 miles to the nearest sawmill and the problem that creates. Where is it
411 locally, specifically, and spatially: I'm going to give this representation here on the left [*of the slide*] is the
412 same image that Planner Smith presented earlier. It's the same plan, it's just overlaid on a LiDAR image to
413 show some relief. There really are two components I wanted to point out. This already in the lower right,
414 in the black and white image, in the LiDAR image is the sawmill facility and all its components. The
415 housing is on the left; access by a separate road is composed of the three duplexes, six residential units.
416 Spatially, [one can] understand what this means in terms of relationships with the surrounding community.
417 This sawmill is located about 1,200 feet from the intersection represented at the entry point of the red arrow
418 on the left. The access road: from arrow to arrow, from Highway 89 to the entry on Klondike Road is about
419 1,700 feet. The assessor's map on the right similarly shows the sawmill location at the red star, and it also
420 shows similarly the entry point from Highway 89 north and the entry to the project site. One can see the
421 platted area with a spattering of homes to the north. Following is a rundown of project need and benefit,
422 which starts and ends with the lack of infrastructure; there's a real compromise to regional forest health and
423 community protection, and lacking the ability to have an outlet for the logs that [the Applicant] is creating
424 by way of forestry management and thinning operations. Those distant outlets in Lincoln and Quincy, when
425 they're available, are just as unreliable - they're taking other logs from their own projects and quite often
426 they're not open and not available. That means compromised forestry management operations. There's a
427 lack of alternative sites. It's fortunate that this was 124 acres that were available and zoned and designated
428 appropriately for this kind of a project. It's ideal in terms of its location for a couple reasons. One is that
429 it's dead center in the middle of his operations, but it also has a convenient location relative to past and
430

future wildfire risk. The end goal of project is healthy and resilient forests. We need forest restoration. This project can and will offer five to six acres per day, meaning 1,500 acres per year of managed lands. There's a real demand for not only the lumber, but also for these value-added wood products. There are numerous benefits. There will be efficiency, sustainability, and innovation that's being incorporated and utilized with this modern-day sawmill facility. It's significant in terms of its vehicle miles traveled (VMT) reduction. Those vehicle miles, with a more local sawmill facility come down significantly, versus having to travel 70 miles or more to the maybe available sawmill facilities [that are] outlets for the logs that are created. It has a significant economic benefit, not only for his employees, but for indirect job creations: the Applicant is providing housing for both his employees and their families. This project is fully aligned, not only in its goal in creating healthy and resilient forests, but in aligning with all the County, the state and federal, and even the town's goals of the same: forest health and resilient forest to reduce wildfire risk. The project location is central to his operation; it's also very central to the wildland fire history that we show on the left. The yellow star represents his project location, and this is the wildfire perimeter map during a ten-year span. On the left is the obvious island of unburned forest, dead central of this project location. On the right is more representative of the 100-year fires throughout the state, in which essentially the entire state has burned. Between the two, one can see that there's an island that happens not coincidentally to coincide with the operation and the location. There's another relationship here: the Measure T that was relatively recently adopted by the Truckee Fire Protection District. We as a community and those members within the district elected to tax ourselves for the exact same reasons that are trying to be achieved for this project, which is fuel reduction in wildfire prevention. [On the slide] are direct quotes from the Community Wildfire Prevention Fund, in their plan that talks about the growing problem and the need to reduce fire intensity. What's trying to be achieved by Measure T and the project goals are fully aligned. As mentioned, there's not an outlet for logs, or is very limited. It's a constraining factor. This project at this location can be an outlet for the projects that are funded by Measure T funds. Planner Smith went through the need, as a requirement of this project, to either annex or, in agreement with the district, to provide services for the project site. To address where the project design came from: the church project, as it was known back in 2001, is an old document; the project wasn't built, the environmental documents were old, but we used it to learn and listen and understand what the issues were then. We used those technical analyses and supplemented them with more modern analyses and conclusions. This project was predesigned to go into the County of Nevada, and through a pre-application process in early 2021, focused on communication with them: trying to understand and extract the answers in terms of the acceptableness and whatever requirements were required of both state transportation and fire agencies. There have been processes in which Dave and his team have gone through, and the team learned and applied and responded, and that's the project we are seeing today. The team understands the relationship between this project site and the neighboring area to the north; the team needed to factor these things in, and it's why the end of the presentation focuses on noise, traffic, and air quality. The Applicant team wanted to consider that surrounding neighborhood and pre-mitigate [those concerns]. The team understands there are issues, that there's not a road that's really been used for this kind of facility, despite its appropriate zoning and general Planning designation, so we pre-mitigated it. We made sure that all of the sawmill components that make noise are enclosed, and some doubly enclosed, and that it was centrally located, meaning move the sawmill away from Klondike to the south, and orient the buildings so that the openings in the walls and the access weren't facing that direction. This is really important: this is not an old-school sawmill; this is a modern-day sawmill. It's efficient and sustainable. It's innovative that way, it has today's technology. It's environmentally respectful, and it's sound. We know all that because the CEQA document - the CEQA analysis and its conclusions - support that approach. Everything we're outlining here is the evolution of the project and how it came to be, including where it came from, its technology and its analyses, conclude that through the CEQA assessment, it is environmentally respectful, sound, mitigated. The most important point of this slide is that it is truly a model project. This is something that other communities can replicate and use in their communities because it's different. It's not old school. It's super modern, efficient, and innovative. Mr. Mercer purchased it in early 2021, after the pre-application when we got some level of surety from the County of the fundamentals, the basics, the process, the zoning, and the General Plan structure: where the access is, the acreage, that its access is accommodated, and not only the access to this parcel via Klondike Flat Road, but also the access provided to everybody in that area. *[Indicating the slide]* There is a 60-foot right-of-way that's all encompassed on these 124 acres. It has Forest Zoning in the scenic

corridor and the setbacks - all of that is compliant. The General Plan and current use have already been touched on. The prior use: this is also part of the project design in trying to utilize the most previously disturbed areas. This is the project before he purchased it in 2021 that had a lot of already cleared and disturbed areas. The project looks to utilize that in order to minimize more disturbance, more tree removal. The disposal site was referenced. Planner Smith talked about how this is small and isolated, meaning it doesn't have overlap with the project boundary. It's separate and distinct. It's been there for 30 years. It was 30 years ago when the County of Nevada had an enforcement action against the past owner in order to make some action and clean it up. That never happened, [but cleanup] is happening under this ownership and this project. Here's surrounding area fundamentals and it's all the same. We were going to put up the same General Plan or Zoning Map that Planner Smith had produced, but it doesn't tell us very much, because everything has the same zoning. It's the same scenic corridor. It's the same General Plan land use with all the Forest Zoning designation. It is located within a rural region. Hobart Mills is north, and to the east of this project site, where the current Crosschecked Services operation is, is zoned differently. That's the anomaly among the bigger Forest Zoning and Forest Land designation that dominates the entire area on the screen. Klondike Flats is its own thing; it's different. It's not Tahoe Donner, it's not Prosser Lakeview, it's not Glenshire, it's not Sierra Meadows. It's not any community that was planned, and it's different, it's nonconforming. It doesn't set the bar. It's inconsistent with what the County is trying to achieve in terms of their own zoning and their own general housing designation and their own policies. It lacks some of the basic things that this project looks to improve, like conforming access, meaning a straighter, wider, paved road, dealing with the drainage, and providing fire protection. Project fundamentals: it's an enclosed operation, and that's purposeful and trying to respond and be smart relative to where it's located. The enclosure includes the entirety the sawmill, and one of the noisier components of this is the planer. The planer is located within the sawmill within its own enclosure. So that's double insulation, double sound mitigation that was built into the project, and it's part of the innovation in the "modernness" of the project. It's limited in size and scope. It doesn't have unlimited expansion; it has actually none. It's maxed out in terms of that 5% impervious surface coverage Planner Smith mentioned. Beyond this, there's not any room for anything else. Fire protection: this is a new, 200,000-gallon above-ground storage tank that supplies water to the system. That system includes a series of hydrants onsite. We're proposing a new piece to the project - to bring in an additional hydrant that would be an expansion of the existing fire system to help with that northerly area, with the lack of fire protection that exists there. It has not only the water quality improvements internally and externally, meaning internal to the site, but also external to the site, along Klondike, and fixing and resolving some of the drainage and flooding problems that exist at that Klondike/Highway 89 intersection. It's fully mitigated, and there's a lot of processes here to deal with, procedurally and regulatory, hazardous material storage and handling. All of that is internal to the sawmill building, but also there's a complete Management Plan that's necessary to deal with those materials; it's an innovative new model and is low impact - that's a theme we're talking about quite a bit here. It's modern in that it's not old technology. It's new and innovative. Value-added wood products and what that wood processing means: it's not just lumber. This is a project that's bringing more than just lumber; it brings firewood and biomass or wood heat, and also mass timber - that's another word for this laminated or compressed timber that's created internally within the sawmill building. We talked about taking the smaller diameter logs, but also as part of this process, the Applicant is able to take the lower-grade lumber and create mass wood products out of that by this process: dry, plane, scan, stack, glue, and press it. That glue utilizes a latex base wood glue similar to Elmers; it's an industrial-grade Elmers. It doesn't have odor, doesn't have off gas. It's a low-impact, much like the project as a whole, additive to make this product. This is beneficial because it's the best use of the logs that he creates. It's efficient and innovative that way. It's a substitute for steel or concrete, and that helps to reduce its carbon footprint and impact. It helps sequester carbon and it's durable, long lasting, and fire resistant. To address the structure and hierarchy of, and the relationship between, the General Plan and how it's used as a policy guide in order to get to any given land use decisions. *[Addressing the Planning Commission]* Being the Planning Commission, some of you probably have worked on this and are involved in the adoption of your own General Plan and know that it's the long-term guide, that we use it in order to make decisions, especially as decision makers. We use it to look at and understand appropriateness, and that's ultimately the goal. It's the foundation and framework for future development. It embodies the whole range of public policies from noise, air quality, safety in forests, and economic development - this project is wholly consistent with all of those things,

starting with, in that hierarchy, of being consistent with rural regions and the Forest Land Use designation, and with the goals, objectives, and policies of the General Plan. That gets us to an over-net result of consistency in implementing the Nevada County General Plan. We want to, because it's a land use project. The land use: this project is located within the rural regions of the County, and that's true of the entire area, all +250,000 acres. The Nevada County General Plan, in describing the purpose and intent of the rural region, gives us direction and what's appropriate. It says that future development within the Forest Land Use designation is considered to be appropriate. This is a Forest Land Use designation, which is intended to provide the protection and management of timber and resources and its operations as management. The County has a lot of policies relating to agriculture and resource protection, but one particular policy and overriding directive guide from the General Plan that we want to highlight is the idea of letting land use designations dictate development, especially in the Forest Zoning District. We see that as a policy within the Nevada County General Plan. It's specific to residential areas and residentially designated areas within this bigger rural region, but there are very few of those around the County, and certainly this area isn't designated residential. This policy is really applicable in telling us how we look, review, and use the General Plan to guide decisions. To address Forest Zoning as the implementing tool of the General Plan: the Forest Zoning completely aligns with the Forest Land Use designation in the rural region, everything aligns, as it has to be internally consistent that way, as a matter of law. To address the allowed land uses: the most significant here are a sawmilling and a woodyard - those are the allowed uses. Those are the agriculture, resource, and open space uses that are allowed within this Zoning District. Within that hierarchy, the General Plan tells us that this zoning and these uses are appropriate within this rural region and this Forest Land Use designation, and we hope [the Commission keeps this in mind] in looking at and guiding the Commission's land use decisions.

To address being compatible and the goal of coexistence: that's the goal. [The Applicant team] understands and knows that there are some houses to the north. It's a shared road. We will go through an analysis and then a few slides that [illustrate] how we are going to coexist and what that means. Regarding the typical busy day [of the project] related to trips and average daily trips: the operation is necessarily variable. It varies day to day, month to month, and seasonally. In providing average daily traffic, the CEQA analysis and the traffic analysis on which it relied is accurate and true. It's the nature of the operation - some days there will be less, or zero, and some days there will be more. This is our effort to provide additional clarity, full disclosure, and transparency that there will be other busier and peak day traffic trips. The traffic analysis assumed there would be eight residential units (at the time, that's what we were looking at), then it was brought down to six, so that brings residential traffic down slightly. We want to establish that upper end, that peak day, knowing that it will vary and what that means, because of the operation and its nature. It can't be a known quantity; there are too many variables. It must be able to respond to the type, number, and location of the materials being created through the Applicant's forestry management operation. It must be able to respond on certain days, and on peak days, to those emergency wildfire ideas and operational changes and constraints in the field that change traffic operations. The result here, whether you're looking at it from a busy day assessment or you're looking at it from a peak day assessment, the answer is the same - that it has a nominal increase in peak hour traffic. That means the peak hour traffic is defined in the evening time on the summer busy midweek day, and these are the numbers that are in parentheses [on the slide] presented as percentages on the table to the right. That means during that peak hour, there is very limited additional traffic increase on Highway 89 and the related intersections. That's because this is not a high traffic generation project, and it also represents the amount of traffic that exists on Highway 89 north. So, the project does not hugely contribute additional truck or vehicular trips. Also, either on a busy day or a peak day, there's no impact in terms of thresholds of significance. The traffic analysis looked at both this typical busy day and the peak day, and it concluded that the adequacy of the intersections in the roadway continue to operate at a Level of Service (LOS) B, which is well within acceptable levels for the County and all jurisdictions. In either a busy day or peak day scenario, there's not a warrant for a left turn lane or a right turn lane. That is a matter of the traffic numbers that exist and the contribution this project's bringing. Also, the operation exists, or some of the Crosschecked Services piece of it exists at Hobart, so that's the two lower rows here [on the slide] that refer to "new average daily" and "new peak hour traffic." That's the balance between what this project is creating and what already exists on the roads today, both because of the Hobart operation and the log storage operation that has been there for three years. We also looked

at factors of x, which means that in order to get to a left-turn lane warrant from Highway 89 into the Klondike, we would have to increase traffic generated by this project by a factor of five, meaning you'd have to multiply it by five before coming close to requiring a left-turn mandate. Similarly, we would have to multiply the traffic trip generation for this project by factors of 20 in order to get to either a level of service problem for either the intersection or the roadway, and a factor of 20 to get a right turn-in/turn-out warrant. Therefore, whether it's a busy day or peak day, as we've presented and assessed the numbers, there is not an impact relative to the County thresholds. We also did the noise assessment based upon the typical busy day and also this peak day. Same result: there's not a significant impact relative to County standards in the day, evening, or night. That entails the operation, the truck traffic, and that combination thereof. It's a function of the existing noise that exists as a matter of proximity to Highway 89 north and the topographic condition of the area, especially where the northerly areas are that are more confined within the valley. We want to correct a misnomer: the noise modeling considered that the operation is going to be working with the two doors and its vents open. The noise numbers [*presented on the slide*] presumed that both the input and output doors and vents are open. The assessments, both for busy day and peak noise volumes, are conservative, and there was not any insulation. It was a 25-gauge steel metal building that was modeled for this. In fact, it would have been fine to include this as a requirement or a condition of the project that it's going to be insulated by four inches of wall insulation and six inches of ceiling insulation. That's pretty fundamental in this climate for this kind of a project. The modeling also considered evening traffic for the proposed workday from 7:00 a.m. to 10:00 p.m. Those numbers are going to come down as now we know that there's a requirement, and rightly so, that heavy traffic would be limited to 7:00 a.m. to 7:00 p.m., and that's an ok condition, something that's going to further bring down these numbers. When looking at the average daily numbers and the peak numbers, it's not significant, and the same is true in terms of an impact and relative to the thresholds of the County. That's also true in terms of no impact for both the busiest and the busy day, as we've assessed. The next slide is the overview of the noise modeling for both the evening and the day. It illustrates both a day and evening and what it means. This [*slide*] is specific to the project operation, and it shows the noise contours for the evening and for the day; what we're seeing is in plan, the green contours in the perimeter for the evening end day are well within the max allowed noise contours or allowances for the County. The black numbers for the evening (the black square with the red box) talks about the 39-decibel average. On the right [*of the slide*], see the day noise and the 43. Those are the peak average numbers at the closest receptor, which is at the entry location for the project site and adjacent to the housing to the north. This is a complicated slide. If necessary, the team can further clarify anything else after the presentation. To address air quality: the air quality report assessed and analyzed everything concerning construction, operational health, odor, greenhouse gas emissions, and the cumulative impact. It utilized all the state and federal models and standards. It's comprehensive in looking at that, assessing it, and concluding again that there's not any significant impact related to thresholds. The Mitigation Measures that are attached to this complement, and are in addition to, the road, the site paving, and the gravel log storage area; they are purposely there to reduce dust. The bio energy heating and using the residuals, not residuals that are brought into the site to fire the boiler, but the residuals that are used from the sawmill operation, that are created in lumber and other wood product creation, are used to fire the boiler and heat the buildings. It's super efficient, super modern, and innovative. Collectively, all those innovations in reducing trips or VMT, because we have a centrally located facility, means not having to travel long distances to other (maybe) open sawmill outlets, the result is both a greenhouse gas emission benefit and reduced reliance on fossil fuels, which totally aligns with all the goals that local government entities we are trying to achieve. That VMT reduction is a significant outcome of this project in this project location. Also, it conforms with County and Air Quality Management District guidelines. There was some smoke here in Truckee this morning and it's not uncommon; that's the emission problem. The benefit with these kinds of projects at this location is that it can help to reduce the threat of wildfire, be proactive in doing it, and reduce net emissions that are created in wildfire events. We have one single request regarding modification to any given Mitigation Measure or Condition of Approval that have been recommended by the staff, and this is a late addition by the Northern Sierra Air Quality Management District in requiring the addition of a selective non-catalytic reduction device. For the purpose of getting to a Level A air quality threshold, which is the highest threshold relative to the district guidelines, that device isn't necessary. That device is extra and beyond the innovative, modern-day technology that's built into the boiler. We're talking about NOx emissions and specifically with a boiler. The boiler comes with a built-in flue gas recirculation. We are

asking only for one change in the Mitigation Measure, to allow some flexibility. Instead of a last minute requirement to add this device in order to make it work, which is not necessary to reach these Level A thresholds, but rather give some flexibility within this Mitigation Measure to prove it: to go to the Air Quality Management District, show them these built-in efficiencies within the boiler units, tell them how there are multiple boiler units and not all of them are running all the time, which was the presumption in the analysis. There is also a factor of the type (feedstock) of the wood that's being utilized and how it burns. There are all kinds of other factors that go into the analysis of the boiler and its NOx emissions, and we're really confident that even lacking this particular device, we're going to achieve a Level A threshold, because it already is very close to Level A as it is. We only need to speak to the Air Quality Management District at the permitting stage to show what it is, how it works, the numbers, and the built-in efficiencies with this modern-day boiler that satisfy this Level A threshold. To summarize, we think this project is completely appropriate relative to the General Plan, its Land Use Designation, and its policy direction. It obviously conforms, it has "zero ask" or request for any flexibility from any given standard, it has supporting CEQA review, it's fully mitigated, even with the change just mentioned re: the Air Quality Management District. I'm not sure there's another project that could say this. This project addresses two community priorities: reducing wildlife threat and providing employee housing, not just employee housing, but housing for all its employees and their families. The housing problem here, particularly in Truckee, is significant. The staff support is significant, and it comes from these same conclusions: the General Plan, the zoning, the CEQA document, these priorities. It's the basis for how we get to this stage with a positive staff recommendation. It's doing the right things. It's bringing a project that's fully informing and fully mitigated. In conclusion, this project it's necessary, beneficial, and appropriate. I hope I answered your question [addressing Chair Mastrodonato] about where it came from and what it is, and with the overall theme of innovation and modernness and sustainability. We hope that the Commission will use that General Plan and that directive that it gives us all. We're going to accept the Conditions in the Mitigation Measure, and we understand and plan to implement them with that one request for flexibility in Mitigation Measure 3C. We understand there are a lot of processes and protections coming our way, and we plan to improve and meet all these conditions being recommended for this project. I think the Planning staff outlined the set of Findings for Approval perfectly; Planning Director Foss isn't here, but we completely agree with his conclusions in saying that all of the findings for this project can be made in support of approval, and we hope and request that [the Commission will agree]. That ends my presentation. Our project team is all here and can answer any questions. Thanks for your time.

Chair Mastrodonato thanked the Applicant and representative, then invited questions from the Commissioners. He asked to start with Commissioner Garst since this is her district.

Commissioner Garst thanked Chair Mastrodonato and disclosed that she visited the site on 08/05/24 with Supervisor Bullock, and Applicant David Mercer was also present for just a site walk-through. She asked about the relation of this operation to the existing Hobart Mill operation. She stated: the traffic analysis noted the new traffic created by this site and some of that being offset by the reduction in the existing traffic. My question is, could we get clarification on the existing operation, how will that come offline, and how will this replace existing operations, given that it's half a mile.

Mr. Mercer: Right now, we operate out of Hobart Mills. We have a firewood yard there, store and process logs there. We also, when we can, ship logs to Quincy, which we haven't able to do a lot over the last few years. The additional truck traffic that would have gone to Quincy with millable logs would then be going to Klondike, and the traffic that's going to Hobart would be going to Klondike because we would be moving out of Hobart.

Commissioner Garst: For the current operations, do you have similar equipment as is being proposed on this site? Is there a biomass boiler there?

Mr. Mercer answered no.

Commissioner Garst: How do the operations in the existing site compare to what's happening here?

Mr. Mercer: At Hobart Mills, we operate a firewood yard, which processes non-merchantable logs, then turns them into firewood. We also store our service equipment there. That's what currently goes on in Hobart. The new facility would have the firewood processing, be able to service our equipment in our shop, and also process saw logs taken from forest reduction work.

Commissioner Garst thanked Mr. Mercer for the clarification. She asked about the size of the biomass boiler and stated: I think there's been a lot of concern and confusion around the scale of that operation, since this would be a power plant versus being just onsite fuel production, and speaking to the size of that boiler, its capacity, and how it relates to demand of this operation.

Mr. Mercer answered: The boilers are scaled to heat the sawmill building, the shop building, and the residential housing, and to heat the kilns. That's what they are sized to do.

Commissioner Garst: Is there additional power generated?

Mr. Mercer: No, there's electrical generation as part of the boilers; they're strictly heat. Electrical generation from boilers is a whole different ball of wax, and usually involves steam boilers, which these aren't. That's a whole different certification and generally it's not cost effective. It's cheaper to buy solar panels.

Chair Mastrodonato thanked Commissioner Garst and invited Commissioner Duncan to ask any questions.

Commissioner Duncan: I have concerns about glue lam production at the site. Will you be doing that specifically?

Mr. Mercer: Yes. The plan, if we can get that far, is to make a mass timber product. As Mr. Mercer showed in that slide, mass timber is essentially taking low-value lumber taken from small diameter trees, then you cut the defect out of them, join them back together, and then press them together. You can make beams, panels, and all sorts of wood components out of those. I think some folks' fear with the glue lam portion of it is that back in the early days of glue-lam production, it was made with formaldehyde-based glues, glues that were toxic and had a lot of off-gassing and odor. Today's technology is not that; today's technology uses basic industrial Elmer's wood glue. I've been to these facilities; there's no odor, there's no off gassing. Everyone's got a tube of Elmer's glue in their garage. Hopefully we'll get to a point where we can do that, because it is the best utilization for the type of wood that we generally harvest around here. It's going to facilitate us to treat more acres.

Commissioner Milman: What, in your current and future facilities, is your relationship to the larger community? I understand that you're running a business, but is there also a component of people coming by to get firewood or anything like that?

Mr. Mercer: No, we generally deliver all wood. We supply a majority of the other firewood resellers in Truckee with their wood. So that's our interaction currently with people.

Commissioner Milman: And that's future as well?

Mr. Mercer: That would be the same as far as the firewood side of things, yes.

Commissioner Milman: Or, just in general, I was looking for if there is, in the neighborhood or in the area, are you the only one bringing logs to this?

Mr. Mercer: Currently or in the future?

Commissioner Milman: Both.

Mr. Mercer: Currently, at our facility that we have, either Hobart or the log storage at Klondike right now, those are all logs that we generated. If it looks like we aren't generating enough, I have many other people I work who would be more than happy to bring logs into the mill. The capacity of the mill is capped, so there's not a lot of expansion. There are many components of the mill that essentially limit how much it can do. The way it's designed was to meet pretty much what we do currently, plus a little more, because I think we can generally treat some more acres than what we do. That's how it's sized.

Commissioner Milman: It looks like the current design was designed for 50 years. Is there anything else that would need to happen in 50 years in order to keep it [running]?

Mr. Mercer: No. The way we operate right now, we run machines for 20+ years. We take great care of them, and we run them [continuously]. I don't look at this as anything more than extension of what we already do. It essentially has an infinite life. I've been to facilities all over Europe in the middle of small towns, and they've been running that way for two hundred years with the same equipment. The [machinery] equipping this facility is far more advanced that and is built to a really high-quality standard. We put the 50-year window in there because it was a question, and we had to put something in there. I don't know that I'll be here in 50 years, but my children and grandchildren and their children possibly will continue on and keep doing what we're doing, because it's going to take us quite a few hundred years to fix the mess that we have.

Commissioner Milman thanked Mr. Mercer.

Commissioner McAteer: I'm interested in whether this is at all seasonal. Give me an understanding of the timber, cutting, and milling seasons.

Mr. Mercer: Typically, here, in this region, we are able to get into the forest on a normal year in late May, early June, when snow's gone and the ground is dried out enough that we can get in there. It's not typically the forest that's the problem; it's the road networks that are the problem. There's a lot of clay up here. The roads don't take driving on, and the roads haven't been rocked. That's the real restriction. Then, it's whenever it gets wet enough in the fall that we have to pull out of the forest; that's typically November-ish.

Commissioner McAteer: So, you've got a six-month cutting operation.

Mr. Mercer: Yes, typically. There are seasons, locations where we can run in all year around. It just depends on where we're working, what the ground is like, and what the access is like.

Commissioner McAteer: OK, then talk about the milling operation; is there a seasonal aspect to it?

Mr. Mercer: The mill is designed and configured to run year-round: logs [come in] in the summer, we debark them, sort them, stack them, consume a portion of it and then have enough left by the time the in-wood season is done that we would have enough material to process all winter. Otherwise, [we would be] too short; it doesn't make sense not to do it that way.

Commissioner McAteer: Ok, let's move to the finances on the project. It's intimated in some writings that the state is involved in this project, or are financing or helping to finance. Can you discuss the financing involved in this project?

Mr. Mercer: We have grants from CalFire and the U.S. Forest Service that covered a portion of it, but a very minor portion of it.

Commissioner McAteer: And the rest of it is your private financing?

Mr. Mercer: Yes, we have some U.S.DA-backed loan mechanisms and some private investments.

Commissioner McAteer: OK. If I'm a private logger here in the Tahoe Truckee Basin, and I've logged somebody's property, perhaps they're going to build a house or something, what are private loggers doing currently? Will they be able to come and sell to you? I know that Commissioner Milman alluded to that, but could you help me understand that?

Mr. Mercer: The way California forest practice rules work is, every log that goes to a facility that comes off of anybody's land must have a permit to go with it. So, if there's wood that is permitted appropriately and has all the paperwork to go with it, then we would certainly be able to take that wood, if our capacity warrants it.

Commissioner McAteer: So, therefore, a private logger can offer to sell you their logs or whatever else?

Mr. Mercer: It's not quite that simple [with] the paperwork, but yes.

Commissioner McAteer: So, you'll be producing 2x4 studs and laminated products. Are all these products shipped out of here, or do you sell to Tahoe Truckee Lumber or other entities?

Mr. Mercer: Well, in a perfect world we would sell it here, through TGL or through other locations. There's no reason to buy lumber from Canada and ship it here to sell it to people. The one thing that we don't have here is Douglas Fir, which is what primarily what people frame with, but I think we can produce enough other products out of pine, which is predominantly what we cut, that we could certainly supply local markets. Those are really our goals: why should you buy wood from another country when you could get it from next door?

Commissioner McAteer: I also went to the property today. There's a lot of lumber up there, and it's not just small, six-inch trees or so; it's a lot of large lumber. Do you not only do this small timbering, but you also do some large timber, is that correct?

Mr. Mercer: The log decks that are at Klondike right now represent a couple of years' worth of work. It depends on what kind of work we're doing. If we're doing, for example, metal restoration, which is where those bigger trees come from, and we're going into what would have been meadows, and since we haven't had fire in there for 100 years, lodgepole has grown and become 30-inch trees, but the 30-inch trees are only 100 years old, those go away trying to restore the meadows back to a more natural state. There's a wide variety of diameters and species, and it's not a constant thing, but predominantly when we're doing a majority of our forestry work, it's cutting small trees.

Commissioner McAteer: Finally, your relationship with Tahoe National Forests, since they're the largest property owner around here: do they contract with you? What's the relationship that you have with them, and how does how does how does that work out?

Mr. Mercer: There are two mechanisms that we work under when we're working on federal land here. There are contracts that are put out by the National Forest Foundation, which is a nonprofit that is a funding mechanism and helps the Forest Service operate. There are also direct contracts with the Forest Service, so the Forest Service or the NFF (National Forest Foundation) will put out contract to bid on, and they're open to any licensed and qualified timber operator to bid on. If we're awarded those contracts, we work on those contracts for them.

Commissioner McAteer: What percentage of your work is for government landowners compared to private landowners?

Mr. Mercer: We work a lot for land trusts, for the Nature Conservancy, for state parks, for the federal government, most of the large private landowners in the area, from government work to private land. I'm not [sure if] you would consider the Nature Conservancy and the Land Trust as private or not; they are

863 NGOs (non-governmental organizations). I would say probably 75% of our work is for either NGOs or
864 government land, because they own a majority of the land. The remaining forest land around here is owned
865 by SPI.

866
867 Commissioner McAteer: Yes, it is. My question related to that is, will Measure T funds be contracting
868 with you to do removals within the fire protection district?

869
870 Mr. Mercer: The Measure T work: they just came out this summer with some of their first contracts. We
871 bid on a few of them; they didn't go to us. Some other people were under us. But we'll bid along with
872 everyone else for work, as far as the forestry end of it goes.

873
874 Commissioner McAteer: So, if [someone] can't get [their] lumber to you, obviously you're saying to a
875 private guy who's timbering a piece of property, "Sorry, and the only game in town is Lincoln or Quincy,"
876 is that correct?

877
878 Mr. Mercer: No. The only game in town for someone who's doing, for example, a three-acre conversion,
879 which would be, say, for a house lot, they'd have to file for a three-year conversion and then have a licensed
880 timber operator with an A License come and do the work for you. Then that A-Licensed operator could
881 resell the wood.

882
883 Commissioner McAteer: That wood is going out of Nevada County? It's going to either Quincy or Lincoln
884 for milling?

885
886 Mr. Mercer: Right now, I would say a majority of it's going to the dump.

887
888 Commissioner McAteer: I've been to the SPI Mill in Lincoln, and I don't know how many linear feet you
889 say that you're going to be producing for, if I remember correctly, four million board feet per year. What
890 is a mill like that producing, which I would call a real, full-scale mill?

891
892 Mr. Mercer: In board feet, I don't know what Lincoln does, but I do know how many truckloads Lincoln
893 does. Lincoln and Quincy, and Anderson as well, do about 400 loads per day of logs.

894
895 Commissioner McAteer: Yours again is?

896
897 Mr. Mercer: Somewhere around ten, just for reference.

898
899 Commissioner McAteer: Are all those logs on your property valueless at this point, because they've dried?

900
901 Mr. Mercer: Yes and no. Some of it's great for firewood, some of it's still got some potential to be milled,
902 and some of it's going to need to go through a chipper.

903
904 Commissioner McAteer: Thank you very much.

905
906 Chair Mastrodonato: Could explain the employee housing element of the project, as far as will it be all the
907 employees or some of the employees? What is the thought process and purpose behind housing employees
908 on site?

909
910 Mr. Mercer: I can't house all my employees, but I think I can hopefully house enough employees. The
911 thought process is, anyone who lives here knows how screwed up the housing is here. I have employees
912 living in my mom's house because that was the best I could do for them. I have employees struggling to
913 pay for housing here with their families, employees living in Reno who would much rather live here,
914 because they can't find housing here. That's the reality of what we've made this place.

Chair Mastrodonato: So, you feel that the housing aspect of this project is basically an added employee benefit to some of the employees? Do you have enough, I mean, will you fill it?

Mr. Mercer: It'll definitely get filled.

Chair Mastrodonato: I guess it really doesn't matter, but just for my curiosity's sake, will the employees be provided the housing, or are they paying some type of rent back to the company? How are you going to work that?

Mr. Mercer: I think I'm going to try and give it to them as best I can. It's going to be supplemented. Everyone's got to pay a little bit of something for something, but they're not going to be paying market rates for anything; that just isn't feasible.

Chair Mastrodonato: Thank you. It's 3:30, and we're going to take a short ten-minute break in a couple of minutes. There are a lot of folks here, a lot of members of the community are here, I would assume, to speak on this particular issue. It's been noted before that we've received over 400 comment letters totaling 700+ pages. The Commissioners have reviewed and read not only those letters, but also emails we've received personally to each of us. In an effort to expedite and hopefully get to some type of conclusion today, I'd like to ask for a show of hands: how many of you folks that are here today have submitted letters and comments on a project? *[pause]* I would say that's a pretty fair majority. I would ask that maybe during our ten-minute break, [the public] could converse among yourselves as to what's most important for us to hear above and beyond what we've already read and dealt with. I would like to see us wrapping this up today. If we can't wrap it up today, we're looking at continuing this meeting at another date, which would be sometime in September. I think that because of the travel aspect of us coming up here, the time of day, and everything else, I anticipate scheduling the rest of today as this: we will take a short ten-minute break, we will come back and start the public hearing portion of this agenda item, that's probably going to be sometime around 3:45. We will then go to about 5:00 and take a short 30-minute break for dinner, then reconvene here at 5:30. I would really like to either have a hard stop on comments that time, so we can deliberate and get this wrapped up by 7:00 p.m., or if we continue with public comment, one way or the other, we need to end today's session at 7:00 p.m., for the health and safety of us up here, everyone involved, staff who had to travel today so we could get home in daylight hours. It would be great if we can have comments wrapped up at 5:00 or before we take a dinner break. I think we would then come to a conclusion today for sure by 7:00. If not, we're looking at continuing the meeting into another date in September, which will be a firm date we will set here before we leave. We're going to take a short ten-minute break at this time. It's 3:35, we will reconvene in here at 3:45.

Chair Mastrodonato opened the public hearing at 3:45 p.m.

Chair Mastrodonato addressed the public and explained how the public comment period works, as follows: come up to the podium, state your name and address, and each individual has three minutes to speak. There's a clock here on the corner of the dais. The microphone will go dead after three minutes, and we will ask you to stop as a courtesy to your neighbors and us. If there's anyone here representing a group or an organization, please state that when you give us your name and the organization you're representing, and I will more than likely allow you five minutes to speak. Please line up in groups of no more than five or six, and then just keep filling the line up, keep five or six people in the queue. Let's start.

Mr. Eli Elano (*sp?*) introduced himself and stated the following: I represent the United States Forest Service, so I don't know if I'll need the full five minutes. I work the headquarters office in Washington, DC. Previously worked here on the Tahoe National Forest as Forest Supervisor. The U.S. Forest Service currently does not have an official position on this specific proposal and decision before you. The Forest Service does not typically provide official positions on local discretionary decision making. I'm here to provide a general overview of the role wood utilization facilities play in the accomplishment of the Forest Service mission. In 2022, the Secretaries of Agriculture and the Interior announced a ten-year strategy to address the wildfire crisis across the western U.S. A major part of that strategy is doing forest treatments

to reduce the threat of large-scale destructive wildfire. The Forest Service designs projects to improve forest health and reduce the risk of wildfire to communities like this one. These projects have proven to be effective in changing fire behavior and lead to a more sustainable, resilient forest. These projects are more effective and more efficient if wood material produced from the projects can be utilized. Wood utilization facilities, including timber mills, help accomplish this work in a number of ways. They help implement the work of the forest. They help remove woody material that is hazardous fuel from the forest. They help decrease the cost of these treatments by producing an economic product or service. When the wood and/or hazardous fuels in the forest can be utilized, for example by a mill, the cost of the project is lower per acre. Thus, more acres can be accomplished. Many mills have closed across the western United States over the past few years and even just in the past few months. In central Oregon, M[unintelligible] Lumber announced its closure two weeks ago. When these utilization facilities close in these communities, it increases the cost of important forest restoration and community protection projects. In some places, it renders those projects infeasible, and they are not accomplished. Prescribed fires: another important approach to implementing forest restoration and fuels projects, but it is not a viable, safe approach across all the acres needing treatment. In order to address the wildfire crisis, we need all of the forest management tools available to us, and that includes removing wood material and hazardous fuels from the forest to facilities like sawmills and other types of utilization facilities. Finally, the project proponents have been important partners with the Forest Service in accomplishing forest restoration and fuels reduction work throughout the greater Truckee area. In recent years, they've been responsible operators and sensitive to environmental concerns. I'm happy to answer any questions you all might have.

Chair Mastrodonato thanked Mr. Elano (*sp?*).

Fire Chief Scott Lindgren introduced himself and stated the following: I'm the Fire Chief for the Tahoe Douglass Fire Protection District, and on the Nevada side of the lake, I represent the Lake Tahoe Regional Fire Chiefs Association, which is 25 different agencies that are within and surrounding the Lake Tahoe Basin. I'm also the Chairman of the Tahoe Fire and Fuels Team of the MAC that oversees that team. I'm here today to show support for the project with those groups. We support it. We need to do more fuel reduction. We're surrounded by an unhealthy forest. We don't have a place to take the products, and when we don't have a place to take the products and the products aren't marketable, we don't get the fuels reduction that needs to get done. It's super important to have something close. The prices and the cost of to haul logs and materials to the dump or to other areas is just astounding. We need some local places where we can take them so we can make the forest healthier and protect our communities. It's as simple as that for the Fire Department and agencies I represent. Thank you.

Commissioner McAteer: I have one question to clarify, because I asked it before and Mr. Mercer said his people take the logs to the dump. Could you clarify what that means? What happens at the dump?

Chief Lindgren: They get buried. A lot of our logs up here are unmarketable because of the species and the type, and to haul them to the big mills is not cost effective. The prices of hauling them, especially if it's a small project, such as a three-acre piece with a house on it, they don't want to do that. We have a project going on the north side of the lake sponsored NV Energy, similar to some of the work they brought up into Truckee, because they supply some power up here, and they had logging companies bid from all over the United States and VM West, which is a logging company from Colorado that got one of the bids, they have to haul their logs to Oregon! There's no profit in that, so NV Energy, the taxpayer, and the ratepayer have to pay all that money to haul this wood out of here. It's not like the old days when you had a load of logs, and the mills wanted to buy it. It's just not like that anymore. We need a place to take the wood, and not just the wood, but the product, the brush, and everything else. We chip it and do different things with it. Firewood is great, but you can only do so much with that. We're stacking wood up, which is actually not productive for what we're trying to do with fuel brakes, because then we have these massive piles of wood that, as they dry out and are not marketable anymore, they're huge jackpots of fuel that can cause massive problems if we get a wildland fire. We've got to get ahead of this. I heard a comment that we're 100 years behind on this. It's reality. We don't want to see clearcuts or to destroy the forest. We want a healthy forest again. We want to protect our communities, but the only way we can do that is by fuels reduction and

1024 thinning the projects. To do that, you must have a place to take it, and if you must take it too far away, it's
1025 not productive. That's our problem.

1026
1027 Mr. Darren View (*sp?*) introduced himself and stated the following: Thanks for your service,
1028 Commissioners. You guys are superstars. I've lived in Floriston all my life. I'm the Firewise Rep for the
1029 Firewise Community of Floriston. I'm also the Stakeholder Coordinator for the newly forming Eastern
1030 Regional Firewise Coalition of Firewise Communities on the east side, and we currently are rallying fire
1031 resiliency efforts through the NFPA standard of Firewise. It's adopted by individual communities as it fits
1032 their needs, and that represents a necessary effort of defense, fire resiliency, defense in the short term, which
1033 is something we need to do. But for the long term, we really need to develop a fire-adapted culture that has
1034 a different relationship with the landscape we live in. To do that, we're going to need economic components
1035 to support that. Alpenglow Timber is a beautiful example of an economic component that can foster that
1036 fire-adapted community moving forward. I hope that you'll support it, and it's a good thing. Thanks.

1037
1038 Mr. Herbert Spencer introduced himself and stated the following: I have a Ph.D. in Physics. I've done
1039 work for the EPA, I've also been a consultant to the UN and Air Pollution Control, and I have done work
1040 in fire hazard mitigation and fire studies in which I was an expert witness on a multimillion-dollar lawsuit
1041 involving a spontaneous combustion fire. I am also a co-Chair of a Firewise Community, and I am a Trustee
1042 operating on Klondike Flat Road that basically covers a quarter of the distance the trucks will be moving
1043 on Klondike Flat Road. I have concerns about this project, particularly since sawmills are significant
1044 ignition source; we've had major fires in sawmills in California. I know their fire mitigation plans, but I
1045 believe it is enough of a potential impact that an Environmental Impact Report should be generated for this
1046 project, and complete study done on the fire mitigation of it. I was very pleased to hear their plan to use
1047 non-VOC glues, so there would not be the hazardous materials involved in those glues being present. I
1048 submitted MSD [material safety data] sheets for those glues, and they would present a significant risk and
1049 a potential fire hazard and require special handling by the Truckee Fire Department and the Cal Fire
1050 Department, so that is a significant improvement in this project. One thing I did not see presented is that
1051 they're going to be burning wood. Wood generates ash, and our Warehouse MSD sheet on that ash shows
1052 that it is a toxic material and needs to be handled, stored, and disposed of properly. It can actually be a soil
1053 amendment if it's handled properly, but I saw no discussion in any of the Planning with respect to what's
1054 going to be done with that ash. Again, another environmental impact, it's significant, and it needs to be
1055 addressed. It could also require an Environmental Impact Report to address that. Other issues: obviously
1056 the noise is a major concern. Second, I would like to know why an all-weather access road is not being
1057 provided for this project. This [poses] a significant risk. Even for the employees at this project, if you get
1058 a fire, you need to be able to get fire services in there, whether independent, if Klondike Flats is broken or
1059 clogged up for whatever reason, there needs to be another, second exit into this project. Another concern:
1060 snow burns on Highway 89 could be a problem, and I'm also concerned with the [possibility of] a truck
1061 every six minutes on Klondike Flat Road during certain hours. If you all have any questions for me, I'd be
1062 glad to answer them.

1063
1064 Ms. Stephanie MacIntosh introduced herself and stated the following: My family and I live on Brookstone
1065 Drive in Tahoe Donner. We have lived here for 25 years. We've known Dave Mercer for 23 years. I don't
1066 know anyone who cares more about this community than Dave Mercer. He's deeply rooted for generations.
1067 Professionally, we have worked with him for several years and Crosscheck Services; they are always a
1068 pleasure to work with, very open to listening and ideas, very professional and empathetic when we've dealt
1069 with problems. He's helped us when trees have fallen on houses during last winter, and we really appreciate
1070 being able to work with him. Personally, we live in the northeast corner of Tahoe Donner. We're worried
1071 about wildfire, especially on that north side. We appreciate the mitigation factors of this project, and we
1072 welcome them. We also think that this project would be great for business in Truckee. This is the type of
1073 business that Truckee wants and needs, it aligns with the type of jobs that our tradesmen would like long
1074 term, and we appreciate the employee housing. I do understand that this project is of concern to a lot of my
1075 community members, and we would like for everyone to work together to find a solution. I really think
1076 Mr. Mercer would be open to doing that. Thank you.

1078 Mr. Michael [last name not given] introduced himself and stated the following: I am President of the HOA
1079 of Klondike Flat and am a 30-year resident of Klondike Flat. I have a few points that haven't been broken
1080 out. Highway 89 and Klondike Flat is an extremely difficult left turn. I'd say 95% of the time when you're
1081 trying to turn left, someone is passing on the left, and it's a very dangerous situation, and something's going
1082 to happen. I don't know what the answer is: maybe people slow down, maybe more dotted lines, or more
1083 solid lines. Alder Creek and Highway 89 is another dangerous intersection; it's a two-way stop coming out
1084 of Tahoe Donner and Prosser Lakeview. There's been two fatalities at that corner, and I don't know how
1085 you solve that either; just people drive too fast. Also, you mentioned flooding at the bottom of Klondike
1086 Flat: as President, I have never heard of any flooding at the end of Klondike Flat; that's news. The residents
1087 of Klondike Flat were mentioned that they're non-compatible to the County; we are compatible with the
1088 County. That residential area was built in the 1960's, 1970's. My house was built in 1981, and I'm sure at
1089 that time, there was compliance with whatever that Nevada County required. So, we are in compliance.
1090 We're not *not* complying; we're just not there. Also, where will the water come from for the domestic well
1091 for fire protection? Everyone on Klondike Flat is on their own well, and my concern is that this industrial
1092 project might threaten our water source. It has threatened it. I used to work for the Water District in
1093 Truckee Donner. When Gray's Crossing went in, and Old Greenwood went in, they have a well in between
1094 there and the freeway, in an area (I think) known as Ponderosa Ranchos. It's kind of right next to Prosser
1095 Lakeview. Those individuals had problems with the water when that development went in; their wells went
1096 dry. My concern is that pumping the water in that area: is it going to affect our wells? I don't know until
1097 this time. Also, for a project this size, what kind of septic is in the plan? I haven't heard anything about it.
1098 My understanding with the County is that they don't want any more septic anywhere, and that's
1099 understandable. [Regarding the wildlife in the area]: being a full-time resident, I see a lot of deer, birds,
1100 there's a bald eagle that nests across Prosser Lake. There's also an historical picnic area a mile away, south
1101 of the project.

1102
1103 Mr. Dave Hoffman introduced himself and stated the following: I'm a resident of King's Beach. I'm also
1104 the Director of Operations and Maintenance over at Truckee Airport, and under my umbrella is the fuels
1105 reduction forest management. I want to speak to Crosscheck Services and the integrity of their work, the
1106 quality, and the professionalism the District and I have experienced working with Crosscheck. I would see
1107 that following to this mill project as being top notch. As a resident, I'd like to reiterate that this is a much-
1108 needed project for our community for the reasons that have been touched upon many times, which are fuels
1109 reduction, fire safety, health of our forests, and things of that nature. Thank you for your time.

1110
1111 Mr. Jim Meskimen introduced himself and stated the following: I live at 10517 Snowshoe Circle in Prosser
1112 Lakeview. I support the revitalization of the timber industry; it is much needed, as we all know. Regarding
1113 proposed plant at Klondike Flat, this location poses some significant traffic and safety hazards. At this
1114 location, you will have heavily laden trucks entering and leaving a section of Highway 89 at the bottom of
1115 the Prosser Creek Drainage. This means there's a hill coming from both directions at which the trucks will
1116 have to slow to a crawl to exit the highway. Upon entering the highway, they will be going precariously
1117 slow while they accelerate up the hill. These actions will be detrimental to the flow of traffic on the
1118 highway. All types of traffic uses, plenty of cars, RVs on their way to Jackson Meadows Reservoir and
1119 other points north, going and coming, and they're all going at freeway speeds. Another concern is the hay
1120 and cattle haulers. Neither of these operations are capable of slowing rapidly to allow a slow-moving truck
1121 to enter or cross the highway. There will probably be some accidents because of these actions with perhaps
1122 injury or worse as a result. Closer to home, I'm concerned about the traffic situation at the top the hill where
1123 Rainbow Drive intersects Highway 89 north; it is already difficult to join the flow of traffic on most days.
1124 This section of Highway 89 north has limited sight lines, and it is difficult to estimate the speed of traffic.
1125 This is also a school bus route, as is Alder Creek, where a slowing school bus is exposed to speeding traffic.
1126 Let's not forget that these heavily laden trucks will be traversing a school crossing at Isolda Creek. I would
1127 suggest that a comprehensive traffic survey be done at East Alder, Rainbow, and Alder Creek, one that can
1128 be reviewed and commented upon. Thank you for your time.

1129
1130 Mr. Mark Hermsmeyer introduced himself and stated the following: I'm another Prosser Lakeview
1131 resident. Fifteen years ago, I moved here from southern California to get away from the congestion and the

1132 chaos. I started a mountain bike footwear and apparel company in 2018. I'm not hearing anyone here talk
1133 about the Immigrant/Hobart Mills trailhead and the mountain biking that occurs down in that zone, already
1134 very dangerous. Also, the Prosser Creek Drainage [is a] gorgeous zone. We can do better. There are other
1135 ways to make money, and this isn't one of them. Move it up the road, figure it out. We can do better.
1136 Thank you.

1137
1138 Ms. Heidi Rothery introduced herself and stated the following: I'm a public-school teacher at Alder Creek
1139 Middle School and I'm proud to do so. My school site is two miles from this project. I have grave concerns
1140 about the impact on our community. This is our community. This is where we live. We are all borrowing
1141 it. We all have a responsibility to give it back better than we found it. None of us own this. This is not
1142 ours to keep and decide what the future looks like. I don't think any of us here could live in this community
1143 without being worried about fire safety and the threat of wildfires. We would be absolutely idiots to think
1144 it wasn't going to affect us at some point. However, this is not the site. It was mentioned that it's not Tahoe
1145 Donner, but Tahoe Donner is two and a half miles away. There are 7,400 homes this is impacting. If it's
1146 not a threat, then build it in Olympic Valley. If it's not going to impact home values, build it in Olympic
1147 Valley. I have the pleasure of being here with former students, and I'm a former coach and my athletes are
1148 in this room. It's my responsibility to be here to fight for them and the communities where they live, their
1149 neighborhoods. You have teenage drivers getting to school. I drive that route, State Route 89, twice a day.
1150 I understand the impact of what six more trucks would do on that stretch - winter, summer, fall, spring. I
1151 have athletes that are running in that air, less than two miles away. This is California. We pay attention to
1152 our environment, and we want to leave it better. Are you telling me that the people in Russell Valley,
1153 Prosser Estates, all the students (500 to 600 students a year) aren't going to be impacted by this? We have
1154 that roundabout right at Alder Drive. We've already had students hit at that roundabout. We have students
1155 walking and riding their bikes to school. If we don't care for them, who will? They are the future generation.
1156 If it's not a threat, build it someplace else. This is not the place for it. We have mountain bike trails,
1157 watersheds, wildlife that are endangered in that area, and our students should matter. Thank you.

1158
1159 Mr. Jim Dill introduced himself and stated the following: I'm a resident of Juniper Hill, which is a Firewise
1160 Community. We could have built a church on this property and all prayed for no wildfires, right? I'm a
1161 big proponent of Dave Mercer. I came to Olympic Valley ski racing when I was 17 years old in 1978. I
1162 believe Dave was about four years old. I've become a huge fan. He's one of the most solid, most honest,
1163 most fair individuals I know. He took a liking to machinery, snowcats, trams, and high-tech machinery
1164 when he was a young boy, and flying helicopters; he's really good at running the stuff. I would trust Dave
1165 with my life. He's dedicated and hardworking, and his Crosscheck company has done nothing but good for
1166 our community. I have really educated myself a lot over the last months and have learned a lot with
1167 registered foresters who have helped me to learn about forestry management. Our forest is overgrown in a
1168 big way. The threat of wildfires is on everybody's mind, all the time, every day. I'm a big picture thinker.
1169 I see a lot of the comments on the negative aspect of this project as being really small things. If this whole
1170 place goes up in flames and we get torched, those small things are going to be absolutely meaningless.
1171 Other than the wildfire protection, the wildfire advantages, and the things that Dave's company, by having
1172 this mill and taking on what I would call the intermediate/in-between the logs that Sierra Pacific Industries
1173 won't take, not only is that an economic benefit, but it reduces our wildfire risk and makes for a healthier
1174 forest. Regarding wildlife: in 2012, California had about 25,000 black bears. Right now, we have about
1175 65,000. Our deer population in the mountains is struggling because of overgrowth of the forest and lack of
1176 food for deer on the ground level. For most of our deer, the migratory routes have changed. The mule deer
1177 aren't coming to the west, and most of our deer in the mountains have pushed down to the valley, so wildlife
1178 is a big issue with this too. I'm a big proponent and a big supporter of Alpenglow Timber. Thank you.

1179
1180 Ms. Joanne Rabeek (*sp?*) introduced herself and stated the following: I'm a Nevada County resident here
1181 in Truckee. For a little over 30 years, I was a district ranger for the U.S. Forest Service here in Truckee. I
1182 became painfully aware in the last 20 or so years that our ability to handle wood coming out of the forest
1183 was dropping off, while our threat of increasingly dangerous large wildfires was on the rise. We as a
1184 community in Northern California have a problem to solve, and it's a big one. I think staff and the proponent
1185 have made a really good effort at explaining the problem, so I won't try to do that. Even though I worked

for the Forest Service, I don't anymore and I'm not representing them. I also am now working with the Truckee River Watershed Council on their board, and I'm not representing them. This is my view today. When I heard that Dave Mercer was the person proposing a project like this, I was very pleased. Dave contracted with the U.S. Forest Service on numerous projects over the years. In my observation, I don't remember very many folks that were doing work in the woods who were as professional, progressive, and interested in ending up with a good result for the environment when he was done. Knowing that he's proposing this, it's my belief that it will be well done if it's approved. I understand that some of the neighbors are worried, and I empathize with that. I know that when somebody proposes something new and big in your neighborhood, it is always alarming. I think there are ways to work through that. If this is approved, it's my hope that this facility is the first of many, because we need many of these facilities around northern California. I hope that this is a good example and it's copied by communities all over the northern part of the state. It offers us a great opportunity to create a healthier, more resilient forest that we really need if we're going to get out ahead the fire problems that we all face. I would like to ask: if you're not going to do this now, when are we going to do it? If it's not David Mercer, then who's going to do it? And if it's not on his property, then where? Does any of us know how much time we have before it will become an issue we should have considered yesterday? Thank you.

Ms. Lindsey [*last name not given*] introduced herself and stated the following: I live in Prosser, right on Rainbow, the very first house with a great view of Highway 89. We bought our first house two years ago. We have a one-year-old daughter. Just since we moved in, the truck traffic alone has increased. The sound pollution has increased. [Since] these studies were done in 2021 or 2022, I think they are already outdated. These six extra trucks a day is already too many. This is not just an issue with this project, but with Highway 89 as a whole. That turnout's already very dangerous on Rainbow and Alder. I can't imagine what it's like getting into Klondike Flat already. After learning some more of the specifics, I wouldn't say I'm in favor of it, but I'm glad to hear about the glue and all these other sound issues that were some of my other concerns. I do think we need to have a degree in wildlife biology and conservation biology, so I'm aware of the forest health; we are in a crisis, and we do need to do a lot to get our forests healthy again. I'm not opposed to this project, but I don't necessarily think this is the spot, and if it is going to be the spot, then I would say, as a good faith [gesture], maybe although you don't have to put in turning lanes or do certain things, if you [the Applicants] are a part of this community, that you should do them, or would want to do them, to make it safer. We take our daughter on our bikes, and we have gotten almost hit so many times crossing Highway 89 get to Alder when we show our daughter, "Here is going to be where you're going to go to school in four (or however many) years." I can just imagine having those extra trucks with those logs: it's going to be even more dangerous. Also, I'm a little confused, but I feel like there should be something in place. We talked about trucking lumber: why don't you have already maybe a contract or something with them to sell locally and not add more emissions by selling these wood products to other places? That should be something in the plan. Thank you.

Ms. Missy Bruner Moler introduced herself and stated the following: Thank you for your time and everyone's effort here. I'm also born and raised in the area, and I'm also a steward of the environment. I'm Executive Director of Sierra Watershed Education Partnerships. Much of my teaching is about forest health and defensible space. Many of my partners in resources are right here in this room, so I understand the importance of this project and what it would do for our forest. However, I'm also a resident of Russell Valley, so I know the true threat posed with the amount of trucks coming in and out of Hobart Mills. I understand that might just move to Klondike, but I'm concerned about more trucks. I just want you to really pay attention to, because we drive it regularly, the Alder Creek entrance. It's right at a part of the hill of Highway 89 where, when the trucks are coming north and [people are] exiting south, that turn is typically where the trucks do spin out, particularly your [*addressing the Applicant*] vehicles. I think of it every time I drive; I gear myself up and I think about an exit plan and what's going to be the best when whatever vehicle loses control right there. That's doesn't count the crossing, which is very much an issue at Hobart Mills as well. There has been an increase of truck traffic, and that's a big concern of mine. Also, as a scientist and [having a] background in conservation education, I understand what impact this might have on the environment, on the air we breathe and where that's blown. I want to ask everybody involved in this: can you go further than the CEQA? Is there a possibility of an EIR (Environmental Impact Report)? Are

there more tests that can be done that can help those residents who will be driving through and be impacted directly? I truly understand the benefits of this, and I understand that I'm just saying, "But not in my backyard." I get it. I work so much around forest health; I understand the need for it and the value. I also believe that David is very careful in what he does, and I respect that. I just want to say I'm concerned as a local who drives through there regularly. I'm concerned about the peace and beauty that I have in Russell Valley that I want secure.

Mr. Mike Rothery introduced himself and stated the following: I've been in the area since 1986, and we've been in the room now for roughly three hours seeing slides, listening to a lot of testimonials regarding wildfire reduction. I think all of that's great, but we haven't heard much about the 20+ sawmills that have caught on fire in the last year and a half, nor about this proposed location being 4.1 miles from Russell Valley, 1.4 miles from Lakeside Campground, two miles from Prosser Estates and the 500 homes there, two miles from Alder Creek Campground, 3.8 miles from Tahoe Donner Adventure Center, and 2.5 to 4.5 miles from the 6,500 homes in Tahoe Donner or 3.3 miles from the 377 homes in Grays Crossing, three miles from Prosser Lake, 3.5 miles from Alder Creek Middle School and the rec center - all of this within a five-mile radius. We haven't talked about the young kids at soccer practice at the middle school. We haven't talked about the family going out to sit on their deck Saturday morning two miles away (as the crow flies) from the site. We haven't talked very much about the mountain bikers, hikers, fishermen, campers, all of whom don't want to [breath] 7,500 metric tons of CO2 put out by this place. Forest reduction or wildfire reduction is great; this location is not. I don't know what their locations have been considered, but if none, why not? What's the rationale for building such a plant? This isn't even getting into the glue-lam factory. I have a hard time believing it's no more toxic than a little bit of Elmer's Glue, and the fact that an environmental impact report hasn't been done for this seems absurd to me. It just doesn't make any sense. Unless you can 100% guarantee that this project won't have an impact on our health or our environment, potential fire hazard of starting a fire and easily spreading within five miles to any of these structures, I would highly recommend and ask you to consider opposing this and delaying it and doing more research on it. Thank you.

Ms. Danielle Bradfield introduced herself and stated the following: I am not a resident of Truckee. I'm a resident of Quincy. We have the SPI mill in Quincy, so I have a slightly different perspective. I'm here to clearly voice my concern for the project. I'm a registered Professional Forester, and I've been fortunate enough to have worked with Crosschecked Services for the past 17 years. Truckee has a unique opportunity to be proactive by approving an innovative facility that's proposed by a local business instead of a corporation. I'm not trying to minimize the concerns that have been raised, but the plain truth is, these issues can be mitigated. We cannot effectively mitigate the effects of catastrophic wildfire. Since composing my letter of support, both the Gold Complex and the Park Fire have started. What Gavin said about the "maybe available mill" is a very real situation. Having worked in the Truckee Basin for roughly the last 17 to 20 years, I now have 968 acres of fuel reduction in the Truckee Basin leading from Truckee going up to Soda Springs. Now the logs have no home: the mills are full of fire salvage that's anticipated to come off the Park Fire. Any time you have the industrial timberlands burn, it's a hard fact. This facility is part of a solution, and it may not seem ideal for some of you, but it's a very real situation we have to address. At this point, the 968 acres are all situated wholly within the wildland urban interface of Truckee, and I can't implement [them] at this point. I have no home for those logs to go. In the last five years, for the projects I have done within Truckee that have been immediately adjacent to communities within Truckee, those logs have gone to the site that's on the board [*indicates slide*]. I'm very thankful for the opportunity that I was able to implement those projects. All the logs have gone to that facility. I really urge the various entities here to come to a consensus and help move this project forward. Thank you.

Ms. Kim Scipe (*sp?*) introduced herself and stated the following: I am the Managing Director of Science and Research at Blue Forest, whom I am here representing today in support of the project. I'm also a local Truckee resident. I was also born and raised here. Blue Forest, whom I represent here today, is a conservation finance nonprofit. Our mission is to accelerate the pace and scale of forest management across the western U.S. Blue Forest is committed to being part of the solution by supporting both forest management and associated wood products solutions. We have a science team who is made up foresters,

hydrologists, ecologists, biodiversity experts, and carbon scientists. Part of our goal is to research to understand how we can actually steward our forests against disturbances like wildfire and drought. In 2023, our scientists, along with a team of researchers at UC Berkeley, published a peer-reviewed study in the Forest Products Journal, which found that stimulating investments into local markets for low-value wood products is required for California to achieve its forest restoration goals and to achieve our carbon-related climate goals. Therefore, businesses like Alpenglw Timber, which are local and co-located, provide a practical outlet to take low-value wood and create economic demand, which can help defray the costs of restoration. At Blue Forest, we have seen firsthand in the Tahoe region, how forest restoration has continued to be delayed due to a lack of funding at state and federal levels, plus a lack of forest products infrastructure in the region. The planned Alpenglw Timber facility is specifically designed to process these low-value logs, which are also small, and in fact is designed for this community. It will be one of the very smallest sawmills in all of Truckee. We hope that this can be a model that can propagate throughout our region and our state. This is truly an opportunity for us as a community to prioritize our goals around wildfire risk reduction and the use of this low-value wood which has nowhere to go. Also, this project has support from Cal Fire and the U.S. Forest Service through some of their grants, which demonstrates how this project also can help us meet state and local goals. Thank you very much.

Mr. Scott King introduced himself and stated the following: I own the 14 acres adjacent to this property. I've been a resident of Klondike Flat for seven years. We've been talking about how we are a nonconforming community: I worked extensively with the Planning Department after I bought my parcel. [The Planning Department] had a stack [of paper] about two inches thick on this location and had approved a residential subdevelopment in the 1960s. The only reason that it's not on the books to this day is because it wasn't recorded. That's the only reason there are homes in the Klondike Flat neighborhood. Eighty years later, [the Planning Department] is proposing and potentially allowing an industrial mill is kind of outrageous when 80 years ago, you created a residential neighborhood. You are trying to build an industrial complex in a community. It's kind of ridiculous. Thank you.

Ms. Alyssa Markatim (*sp?*) introduced herself and stated the following: I'm a 28-year resident of the town of Truckee area. I have a master's degree in environmental policy. I'm a local tradesperson. I look around [this room]; I have a lot of friends that live in Russell Valley, Klondike Flat, Tahoe Donner, and Prosser Lakeview sitting here in this room, and I would attest to any of their character and their concern for all the issues we face here in this rural area that we choose to live in. It's a choice to live in these rural areas so that we don't have to deal with air pollution, noise pollution, traffic hazards, really closely located right outside our front door. This isn't really a question of anyone's character; that seems to be coming up a lot. Everyone here is raising their families. They're choosing to recreate [here]. People who don't live here also recreate heavily in that area where the proposed sawmill is. It is also creating a fire hazard, something that I feel we are not really addressing here. What is the balance between the potential mitigation of fire due to fuels reduction or the fire hazard that it creates just by the nature of being a sawmill? I would like to see a study of the air pollution, noise pollution, and traffic pollution that would be potentially created by this project via an EIR. Thank you.

Ms. Mary Heatherington introduced herself and stated the following: I am a Civil Environmental Engineer, and I agree we have an excess of wood issue, and something needs to be done. I am also on the Airport Board. We just loosened up \$2,000,000 to all the various fire districts out of our property tax dollars to address [*unintelligible*] issues. However, here I am speaking just for myself, not for the Airport District. I believe we need a full EIR on this, not a Mitigated Negative Declaration. People have spoken really highly of [Mr. Mercer], and I believe that but as Ms. Spencer says, and having worked in power plants, ash treatment is a real issue. I'm not sure that was addressed. Log decks: with fire, one spark. Those decks have been there for many years with no water on it to spray on them. We've all driven by Arcada and different areas where it's a much damper environment. There are sprinklers running on those log decks to keep them from [catching] on fire. Truckee Fire Department should also receive some compensation out of this, because if there was a fire out there, they would be the first entity there to address it. I'm not sure that was covered; I looked through [the documents], but I didn't see that they would be getting covered.

1347 Right now, Truckee Fire has to protect homes in Martis Camp and Schaffer's Mill and gets minimal to no
1348 financial support from Placer County for that, and I think that's wrong. Also, regarding water issues: I
1349 know people who had their wells go dry. The traffic sightlines are another huge issue. School busses from
1350 all through there [is another issue]. Also, having worked in power plants, [I know] the effect of damp wood
1351 in a boiler; it does not burn efficiently, and you actually emit more NOx and CO. How is that being
1352 protected? Because I'm assuming they will chip the wood. Do they have an enclosure to keep it, so that
1353 it goes dry when it goes in the boiler? I had a friend who worked in boilers in Washington State. He ended
1354 up dying from lung cancer. He said they're very dirty and they need to have dry wood for the boilers. I'm
1355 asking for a full EIR. Thank you.

1356 Mr. Pete Banson introduced himself and stated the following: I'm a part-time resident at 16021 Hobart
1357 Mills Road. I have a fire service background as well. I had a 36-year career in the fire service, the last 24
1358 of which as Fire Chief in the organization formerly known Squaw Valley Fire. I'm also a 46-year
1359 recreational user of Highway 89, and I think I know Highway 89 pretty well. I took the time to read all of
1360 the comments; I'm sure all of you did. It was a time consuming and sometimes frustrating endeavor. There
1361 were some very perceptive comments, and I think the Staff Report really does an excellent job of discussing
1362 the project. There's a lot of science; I can't even comprehend how much it costs to get all of the science
1363 that has been prepared for this report completed. My hat's off to Dave for being willing to make this kind
1364 of investment in this kind of a project. I think virtually everyone would agree that this is a fundamentally
1365 terrific project. It satisfies a fire suppression, fire protection goal that we all agree is enormously important.
1366 The provision of employee housing is a fantastic addition. How many other employers in Truckee are
1367 building a new facility and providing almost all of the employee housing that's needed? I really can't think
1368 of any. In the comments, there's a great deal of concern about traffic, and I want to address because it hasn't
1369 been touched on yet. There are 22 existing trips per day to the Hobart Mills yard now. There are 39 new
1370 trips proposed, 80% of those are private vehicles going into and coming out of the employee housing. Only
1371 eight of those 39 trips are log trucks, so the [concerns] about the log trucks thundering up and down
1372 Highway 89.... There are log trucks on Highway 89 already, and we're adding four more log trucks daily
1373 to that. I thoroughly understand your concerns about that, but I think a lot of the comments were made on
1374 partial or inaccurate information, although they're well intentioned. I think there's a little bit more to it than
1375 meets the eye. Hats off to the staff for doing such a thorough job and for all of you being willing to come
1376 here and listen to all of us; I appreciate it, thank you.

1377
1378 Ms. Barbara Piloto introduced herself and stated the following: I'm a partial resident at Serene Lakes at
1379 Donner Summit. I've been chairing the Safety Committee and the Firewise program for the last six years.
1380 I've learned a lot from many of you that are here. We've done a lot of work there. We've had a committee
1381 since 2012. We've logged in over almost 600,000 hours that we've reported to Firewise, we've done our
1382 risk assessment with Truckee Fire Department. We've got piles everywhere that are being picked up by
1383 Measure T. We were big supporters of Measure T, and we've "got it going on," except for the skinny little
1384 logs that sit all over up there, and there's no place to put them. I couldn't help but think how important this
1385 project is, because we've got everything else going, and our biggest thing now is trying to put a 100-foot
1386 border around our community, and it's full of these skinny little trees that can go there. So, we're pretty
1387 excited about this project. Thank you.

1388
1389 Mr. Jay Gruby introduced himself and stated the following: I've lived in Klondike Flat for the last five
1390 years. I've been in the area about 25 or more years. First, I'd like to state that I'm not against forest
1391 management, but I believe there's a proper place to process these materials, and inside a neighborhood is
1392 not one of them. As a father of two young children, I have some serious safety concerns regarding this
1393 project. One of my greatest concerns pertains to our access. We only have one road that leads into our
1394 neighborhood. Allowing an industrial project to operate without an additional ingress/egress will put our
1395 community members at risk daily and would be extremely irresponsible. This road is steep and icy in the
1396 winter months with a drop off on one side. Paving Klondike Flat Road will likely make it more slippery
1397 while allowing dozens of loaded semitrucks to share this road with our residents and guests. It is my
1398 understanding there are no plans for sidewalks, bike lanes, or guardrails to be installed on this road, putting
1399 pedestrians, cyclists, and motorists at risk when faced head on with loaded log trucks. There are also no

turn lanes planned for trucks entering from Highway 89. In addition to these very serious risks, if there's the dust accident involving Klondike Flat Road, our residents will more than likely be trapped. This presents a greater than significant impact to our community members' safety and wellbeing. Furthermore, I believe the public has been misled to think that this facility will be taking the region's forests waste when in reality, it will only be taking forest waste from predominantly one contractor. Why would we allow public grant money to fund an experimental project that is designed to enrich one single contractor when dozens of other companies will still have to take their logs out of town to mills already in operation? It's my belief that allowing this proposed industrial facility to move forward in our single-family home neighborhood as currently planned shows a complete disregard for our community safety and will show extreme bias towards a private corporation utilizing public funds. I ask that the Mitigated Negative Declaration be denied, and an Environmental Impact Report instead be produced. I also ask that the permit be denied until our very reasonable safety concerns have been addressed. Thank you.

Mr. Anton Snondater (*sp?*) introduced himself and stated the following: I'm here to voice my support for the Alpenglow Timber project. I was born in Truckee along with my wife and three kids. We live in the Prosser Lakeview neighborhood, roughly two miles from the proposed project. I'm also a current board member and immediate past president of the Contractors Association of Truckee Tahoe. I'm also the owner of the Mountain Forge Blacksmith Shop located in the Truckee [*unintelligible*] Center, roughly three miles from the project. Twenty-three years ago, I went through the same process to try to get our shop in industrial area approved in Truckee. We were in jeopardy of having to move to Reno, move out of the area, but luckily that project was approved. We now have an industrial park in Truckee that's very vibrant and my employees live in employee housing upstairs. We're able to keep our business local, buy local supplies, and supply local people with our products. I'm also a personal friend of David Mercer. I can attest to his character, his loyalty, his hard work, and I know he has a vision for this area. It's all about sustainable forests, and he'll do a great job. I'm just here to support the project. Thank you.

Mr. Dave Montgomery introduced himself and stated the following: I'm definitely in support of this project. I've been a resident of Meeks Bay, west shore of Lake Tahoe since 1978, and I've been working with California State Parks District for much of that time. We've got a real problem, and this is a solution, so I'm in support. Thank you.

Mr. Mike Gary introduced himself and stated the following: I'm representing residents up in Klondike Flat. I respectfully request a five-minute time limit.

Chair Mastrodonato: Is it an organization you're representing?

Mr. Gary: Just the homeowners' organization.

Chair Mastrodonato: Are you a member of that? Is there a board?

Mr. Gary: Yes, there is, registered with the Secretary of State, we're a homeowners' association.

Chair Mastrodonato: I understand. Are you an officer of the organization?

Mr. Gary: No, a past officer.

Chair Mastrodonato: Ok, so let's keep it to three minutes.

Mr. Gary: There was a clarifying Mitigation Measure added to the project in response to a Department of Fish and Game requirement. I believe that does require recirculation of the environmental document. We also request that the three addenda that were added to the Staff Report be circulated for a minimum 30-day period and that clock be restarted. We get the purpose of the project, the benefits of the project. I agree with that. I worked with fire departments for almost 20 years. I worked for work in the same field with fuels reduction work and am leading a biomass project in my day-to-day work. That's understood, but that's

not what we're here to talk about. I think the issue is its location. It's in the wrong place. It has too much of an impact on the residents that live there now. Let's not confuse the issue as to whether or not we should do this project; let's all agree that we should. Let's just find the right location for it. This hasn't been adequately studied for the current location. It does need an EIR. This Planning Commission, and then ultimately maybe the Board of Supervisors, are going to have to make special findings because there are requirements recently adopted, updated, and approved by the Nevada County Board of Supervisors in April of this year, at Section 12.05.052.C.6 of the County Code. No one has stood here today or at that table to say that this project is in compliance with those development permit requirements. Number six: It is incomplete with the surrounding area; a special finding is going to have to be made by you to approve this project. You can't fly in the face of your own rules and say, "Hey, these projects, if given a development permit, must be compatible with surrounding uses, when this one is clearly not; it's being nested in a single-family residential neighborhood that's been there since the 1960s and 1970s. Number eight: A roads and traffic safety addressed and properly mitigated? Do they properly mitigate the impacts of the project? No, they do not. There's no emergency evacuation route. There's one way and one way out. What happens in a wildfire? That's why Homewood got shut down. That's why [unintelligible] got shut down. There was not sufficient emergency evacuation. This project is lax in that basic public safety needed, not to mention the issues with pedestrians, bikes, diesel emissions by people starting up in every direction from that Highway 89/Klondike Flat Road intersection. There's no emergency access. [Addressing Commissioners and Planning Staff] You have the ability to put sufficient Mitigation Measures in. We request an entire separate ingress/egress, emergency evacuation, dedicated turn lanes on Highway 89. Regarding the hours of operation: Monday through Saturday, 7:00 in the morning until 10:00 at night. That's only when we sleep will this thing not be working and making noise. We just ask for reasonable Mitigation Measures to be placed on this project that are within your powers, within your jurisdiction to place on the project. Thank you.

Mr. Dan Ingalls introduced himself and stated the following: I've been in Truckee for 35 years. I've had the pleasure of working with Placer County, doing a lot of the studies and efforts you've talked about here with emergent ingress/egress. Everything's inadequate when you try to stuff a lot of potatoes into a 30-pound bag. The entire area developed in the 1930s has all of these problems. Highway 89 is a place that is narrow and has bad visibility. I am a competitive cyclist, and I'll never ride on that road. It's a place where people come and go for recreational endeavors. I have a lot more faith in a Class A driver with a bunch of logs or a bunch of cattle or a bunch of hay, than I do in a mom and pop in a Winnebago. I have been a resident in Tahoe Donner for these 35 five years. I had the luxury of this: I finish my Placer County workday, I go to my deck, I pop my favorite beverage, I sit on my deck, I look at Mount Rose. Slightly to the left is Mr. Mercer's project, and all the things: the pollution, the air, the light, all of it. I sit there with my cocktail and say, "Bring it." He deserves it. This community deserves it. Unless we do something about it today, we're going to pay. All of these concerns need to come together with some cooperation, not division, and he's doing it better than anybody in this room. I want to support him. This needs to be done. He has my support. Thanks.

Mr. Steve Fresh introduced himself and stated the following: I'm the president of the Sierra Business Council. The Sierra Business Council (SBC) strongly supports this project and hopes that you'll take action tonight to approve it. SBC has a long history of engagement on sustainable economic development and forest management projects in the region. We manage the Northeastern California Small Business Development Center, and in that capacity, we've provided technical assistance to more than 10 small-diameter timber mills or small biomass operations in the Sierra Nevada, and this is by far the best that we've ever seen. We also manage the Sierra Economic Development District, of which Nevada County is a member. That economic development district just recently completed a comprehensive economic development strategy, otherwise known as the CEDS. One of the pillars of that economic development strategy is standing up a wood infrastructure and wood utilization business in the central Sierra Nevada. That plan was approved by the Nevada County Board of Supervisors, and this project is identified in the addendum as a model project, as an example of a project that could be advanced in order to meet that goal. In addition, Sierra Business Council works closely with the California Wildlife Task Force. We manage a workforce education and training program for forest workers. We also are part of a regional conservation

partnership called the Northern Sierra Partnership with the Nature Conservancy, Truckee Donner Land Trust, Feather River Land Trust, and Trust for Public Lands that is protected more than 140,000 acres of land in the surrounding 100-mile radius in the last 15 years, which is a really remarkable conservation success for the region. We submitted a letter with about five reasons why we support this project. We did an economic analysis of what the impact of this project would be over the next 50 years, which is the life of the project. We used econometric software called IMPLAN and Jobs EQ to run that analysis, which has a tolerance of about 5%, so it's accurate to within 5%. This project will create 27.6 new jobs in the region. It has an annual direct economic benefit of \$5.4 million per year in the local economy, and it has an annual net positive impact of \$712,000 per year in the adjacent forest economy. Over the 50-year life of the project, that's more than a \$300,000,000 net positive impact of this project on our local community. We have a project proposal by a local resident who has one of the best environmental records of anyone we've ever worked with in the region. He's putting on the table an innovative, high-technology plan that solves our local problem, and he's willing to put \$15,000,000 to \$30,000,000 dollars of his own money into it. I have not heard a single argument here tonight that makes the case that the environmental data is inaccurate or incorrect. No one has produced any data to state that the traffic analysis, the air quality analysis, the sound analysis are wrong. This is on a location zoned for this use with this as an allowable use, and it meets all of the thresholds for development. I ask you to vote yes on this project. Thank you.

Chair Mastrodonato: We're approaching our 5:00 break, and we're going to going to take a 30-minute break. With a show of hands, is there anyone else that really wishes to speak? *(pause)* You two are going to be our last speakers. We will take our break, come back, and then wrap this up. I can't thank you folks enough for your protocol and decorum and courtesy. This has been a great group.

Ms. Pam Geary *(sp?)* introduced herself and stated the following: I'm live on Klondike Flat. I've been a homeowner there for 21 years. I raised my three children there. I have enjoyed the quiet, the nature, the dirt roads, the trails, everything about the area; that's the reason that we bought a home there. It's the reason that when I bring people there, they say, "Where do you live? I didn't even know this place existed." It's one of the last quiet neighborhoods in Truckee, and some people might say, "Oh, you're just being a NIMBY [“not in my back yard”]. You don't want it in your backyard. However, I'm hearing everything about Highway 89 and the dangers there. We are 20 homeowners; this is our investment in Truckee. We have paid taxes here. I don't hear anyone talking about our safety, besides the fire [risk], which I think is a major issue. I'm very concerned about that. There's one road in and out, and Dave's sawmill will be at the beginning of that road. If something happens, we're trapped. How are we going to get out when his sawmill will be blocking our exit? That's a major concern I have. I really think that the fire safety needs to be looked into a little more. In the letter from the Truckee Fire Protection District written on August 8, it said "This development raises concerns about fire safety, given the inherent risk associated with sawmill operations." That's a quote from the Truckee [Fire Protection District] in their letter that it was posted on the memo. If the Fire Department has concerns because sawmills are inherently dangerous, I believe that our concerns should be listened to. It's not that we're NIMBYs. We could be trapped there. Also, they were talking about trucks idling and the amount of time: I don't know who is going to be monitoring that. At the bottom of the road, I cannot see multiple logging trucks just idling there. There are homes down there; they'll be listening to that sound, and if I'm correct, logging trucks are all owned independently. Dave doesn't own them; they don't necessarily work for Dave. Maybe I'm wrong, but he's not to be able to control the time that they're idling and what they are doing on that road. I just think that a little more research needs to be done. I think the detriment it's going to cause our neighborhood needs to be looked into a little more. Also, our real estate values haven't been brought up. There are many items that have not been brought up, and I feel like this is being rushed. Public comment: when we first started telling people about it, no one had heard about it. It was brushed under the table. Yet, there was a 290-page document already produced, and not one person knew about it. I just feel like we would like a little more time. I think a different location is appropriate. We're not against the actual project; we're against the location. I tried to look into Loyalton, a close sawmill. Perhaps he [Applicant] looked into that; that's 30 miles away. Why couldn't that be refurbished? Thank you.

1561 Mr. [unintelligible] Spencer introduced himself and stated the following: I also live on Klondike Flat
1562 Road, in the house right at the entrance of Klondike Flat Road. I have been there for nearly 17 years. I
1563 raised my three children there. I fully agree and support the need for this type of project, and I also don't
1564 want to stand here and recognize that no matter where this type of project goes, it doesn't impact someone
1565 that lives nearby. There have been statements made by the U.S. Forest Service today, by Cal Fire, and all
1566 these organizations that support it. One of the safety concerns we all have as residents is this one-way in,
1567 one-way out road, and also the noise on the one-way road, in and out of the homes. I'm a little dumbfounded
1568 as to why the U.S. Forest Service cannot make an exception to allow a dedicated entrance for this project.
1569 It would serve for multiple reasons. It would allow the signage for the business to move to that dedicated
1570 entrance, which would not lessen our home values by making us look like we're part of a sawmill if there's
1571 a sign at the entrance of our homes. Also, it would mitigate the noise. Most importantly, it provides safety
1572 for the employees of Dave's business and the people living onsite there, it allows an ingress and egress for
1573 safety vehicles from two directions. Having lived there for 17 winters and having lived in this region since
1574 1988, [I've seen] cars getting stuck in the wintertime, so even barring something happening in the summer,
1575 I've literally had to pull trucks out of that road by closing the road with my tractor to get the road back open
1576 so residents can get out. There must be two entrances and exits for a project of this size. I know everyone's
1577 going to be impacted, but there is more safety [research] that needs to be done. Also, [I've been] reading
1578 online that lots of boiler systems have to supplement the fuel source to keep the heat running at an optimal
1579 temperature to meet the air quality requirements of it. There's been no mention or no study on if Dave's
1580 going to supplement fuel sources other than wood, and if so, how is that being mitigated, because one of
1581 the number one materials used in that is recycled tires, and that's not going to be good next to my house
1582 living at the bottom of the hill, the U.S. Forest Service has used our property and our electric bill to run
1583 monitors when doing controlled burning, because all of the smoke settles at the lowest point. So, all of the
1584 air quality studies go right there. Also, all of the vehicle numbers that have been proposed today are all
1585 been pitched as only new vehicles on Highway 89. These are entirely new trips on Klondike Flat Road, not
1586 Highway 89, all passing homes that are 20 feet away. Our property line's 20 feet away.

1587
1588 Chair Mastrodonato: Thank you. After we take our short, 30-minute break, we will come back, then staff
1589 will address some of the comments and concerns that we heard here that maybe haven't been addressed in
1590 the document and were brought up here new. Once we go through that process, we will then open it up to
1591 the Commissioners to ask questions and hopefully get to a resolution.

1592
1593 Chair Mastrodonato closed public hearing at 5:06 p.m.

1594
1595 Chair Mastrodonato reopened public hearing at 5:35 p.m.

1596
1597
1598 Chair Mastrodonato: Thank you again everyone for your patience and perseverance and hanging in there
1599 and your courtesy. We will now let staff respond to some of the public comments we heard.

1600
1601 Planner Smith: Thank you, Chair Mastrodonato. As you mentioned, there are several items that were
1602 brought up that staff would like to address. Following my comments, I'm happy to address any additional
1603 questions or clarifications that this Commission requests. Going in a sort of chronological order of here of
1604 how I heard them, the first one is that sawmill fires and the wildfire risk should necessitate the development
1605 of an Environmental Impact Report and, as discussed in hearing today and in the environmental document,
1606 the Initial Study, and Mitigated Negative Declaration, the wildfire risk has been conditioned and mitigated
1607 by both Cal Fire and the Truckee Fire Protection District to a less than significant level. As a result, as lead
1608 agency, the Nevada County Planning Department did utilize the Mitigated Negative Declaration as the
1609 appropriate environmental document due to the lack of achieving significance thresholds. There were a
1610 number of comments requesting a second access road or some sort of emergency egress. The Land Use
1611 and Development Code only requires and necessitates secondary access for discretionary projects that are
1612 proposed beyond dead-end road limits, which in this case, the dead-end road limit identified in the Land
1613 Use and Development Code and state law is one mile. Because of the nature of this property not achieving
1614 that dead-end road standard, no secondary access was proposed by the Planning Department or required

under the code. The third item is intersection safety questions, both at Klondike Flat Road, Alder Point, and other intersections. These specific intersections were not included in the traffic impact analysis because they were beyond the distance required for the level of analysis. Secondly, all of the intersections are regulated and are property of Caltrans, and that would be the state authority that would require some level of infrastructure improvements. As discussed, Caltrans reviewed this project and recognized that the level of impacts did not necessitate turn lanes or other improvements along the highway system born from the potential impact impacts of this project. As a result, none of those requirements for infrastructure improvements or turn lanes have been proposed with this project. Secondly, any improvements to Caltrans are generally the responsibility of Caltrans to require and implement. It is not necessarily for project Applicants to go to work in the highway. The third or fourth question related to septic and well quality: the proposed project and primarily the residential units in the sawmill facility did conduct soil testing pursuant to Department of Environmental Health requirements to determine that there's adequate soils to support septic systems. Septic systems are proposed for the facilities, and although they are not required to be designed yet, as a Condition of Project Approval, those septic systems will be required to be submitted to the Department of Environmental Health to meet department and statewide standards for septic systems and similarly for wells. The well will be required to be tested and achieve both quantity and quality standards defined by Environmental Health. Similar to the previous discussion relating to intersection safety, truck traffic impacts and safety impacts to necessitate a possibility of EIR development and similar to the previous question, traffic and transportation safety were reviewed by County Staff, Department of Public Works, and Caltrans, and they determined that due to the nature, size, and scope of the project, no additional infrastructure or safety improvements were necessitated at this time. An additional question related to both Truckee Fire Protection District compensation and service is addressed through Conditions of Approval, as I briefly discussed in the hearing and in the Staff Report. The project is required to enter into either an out-of-area service agreement with the district or an annexation. Both of those mechanisms do necessitate fee payments towards the Truckee Fire Protection District for the proportionate services they provide, and while those specific numbers have not been identified yet, they will be identified through the LAFCO process, through their municipal service reviews to determine both adequate service capability and the cost proportionality to pay for those services. The next question related to both the wood ash outputs of the boiler and hazardous materials utilized by the proposed project. Both the wood ash and hazardous materials and the operation of the site are regulated under the Department of Environmental Health's CUPA (Certified Unified Protection Agency) program, which is the state regulatory program that trickles down to County and local departments to regulate both the use and operation of hazardous materials. All uses, including the uses of hazardous materials and the potential for wood ash, would be regulated under the Environmental Health's CUPA program and be required to achieve both air quality and water quality standards, as defined by the Northern Sierra Air Quality Management District and Lahontan Regional Water Quality Control Board, respectively. The next question pertained to the need for sidewalks, bike lanes, and guard rails, similar to the previous discussion related to transportation impacts. Although those could have been requirements, the review by both Department of Public Works and Caltrans did not identify the need or regulatory threshold to add these additional safety or other pieces of transportation infrastructure. As a result, they had not been included as Conditions of Project Approval. There were discussions of how the changes to Mitigation Measures and additional technical addendums developed for the project would require recirculation. However, under CEQA and the guidelines, recirculation is required under very specific activities; they are generally when either new or changing significant impacts are identified. Again, that goes back to my discussion of significant, less than significant, or no impact, whereas if a regulatory body or the Planning Department or the Commission were to add additional conditions or change conditions, so long as those changes weren't addressing a new significant impact, the recirculation threshold would not be met. As a result, that is why we did not recirculate the environmental document after those modifications to the Mitigation Measures. There were also requests for extended review time for the environmental documents. As we discussed, the Planning Department, pursuant to comments received and requests by the public, did extend the environmental review from the required 30-day circulation period for Mitigated Negative Declarations and most other environmental documents, we did extend it to that two 31-day comment periods and don't believe that additional recirculation is warranted or necessary under CEQA or the CEQA guidelines. Finally, there were questions about fuel source supplements for the biomass boiler. As I briefly discussed here and in the Staff Report, in order for the operator to achieve that permit

to operate and authority to construct, they are required to both achieve annual inspections and to continuously monitor outputs of the biomass boiler, so to achieve both Northern Sierra Air Quality Management District regulations, as well as Statewide Air Quality standards, so throughout operation that boiler unit would be required to operate below those maximum standards. The final thing was in response to the request by the project Applicant to amend Mitigation Measure 3C relating to that permit to operate: staff has developed a similar proposal for the Commission's review to provide both the flexibility that the Applicant requested, but also the requirement to achieve the Air Districts requirements. Here in track line changes, it gives the Applicant the potential opportunity to coordinate with the Air District to identify an alternative emission control device or identify specific operational techniques that achieve the same practical effect as the specific selective catalytic reduction device. With that, I am happy to respond or answer any more questions should you propose to approve this project to adopt the Mitigation Measure 3C as amended.

Chair Mastrodonato: Thank you, Kyle. Good work. At this time, we will open up to questions from the Commissioners. Once again, Commissioner Garst, this is your district.

Commissioner Garst: Thank you. I was wondering about fire suppression and mitigation requirements on site. I noticed that there are several hydrants located throughout the project area. I was wondering if that was a Planning Department requirement, a Land Use Development requirement, or if that went beyond your requirement.

Planner Smith: It is not a Land Use and Development Code requirement. These are requirements defined by the fire agency providing services, generally, and so these were defined to meet Cal Fire standards, and similarly, Truckee Fire Protection District also reviewed the project because it was designed under Cal Fire standards and didn't propose any additional hydrants or additional change due to the compliance with state law.

Commissioner Garst: There's been a lot of discussion about requiring an EIR for this project, and I hear you that it does not meet CEQA's significant threshold that would trigger that. I'm wondering, just for a level playing field, has that ever been something that the department has required when significant impacts have not been found as a requirement.

Planner Smith: Generally not, because the threshold for requiring an EIR is prescribed in the state law. If an EIR is produced without the prior to identification of significant impacts, that is usually with input and at the direction of the Applicant in order to mitigate potential risk of litigation in the future.

Commissioner Garst: Yes, I know that those are not small feats to achieve, so I just wanted to clarify that we're applying standard requirements across the board to Applicants. Also, somebody mentioned that it is our job to require 100% that this project would not pose any risks or potential hazards to the health or the environment; if that was our standard, nothing would ever be approved. So, I just wanted to clarify that we're trying our best to take the pros and cons of any project and weigh them for what is best for our community, for our residents, for the environment. I think that that's too great of a burden to put on us as a body. Personally, as an architect, I specify wood materials all the time, including glue lams. I see them coming from Canada. I think it would be great to have locally sourced products here. I also believe, as an environmentalist, in the power of mass timbers to do carbon sequestration, which I think goes beyond our local impact and is more of a global impact of these kinds of projects. That's just my personal opinion.

Commissioner Duncan: I would agree this project definitely has local impacts, that the homeowners who live there in the subdivision will be impacted, as is usually the case when new development is proposed. It's just interesting that it's the type of development that historically has occurred in the Truckee area, in the forest lands that most of us love to live in. Acknowledging that and trusting that the Applicant is going to be a good neighbor within his community, maybe there are solutions down the road that can be worked on to accommodate the real fears and concerns of the people who live there and how they think it impacts their quality of life. It's terrible to feel that you're impacting someone's quality of life. We all have our sense of

paradise, and we choose where we live, and we want to take care of it. But I also recognize that we also live in the broader community. There's a regional aspect to look at here, which is that it's a regional solution to a lot of the problems that affect everyone, even locally, that fire danger is real, and getting rid of surplus wood products is an ongoing effort, especially with all the fires happening and loss of forest lands. Does this help reduce that threat? When that threat really starts rolling, does it slow it down? One would hope so. I laude this project for the fact that it includes employee house. I think that, again, it has a regional impact. Truckee is impacted with unaffordable rents, reduced numbers of places to consider, and the workers are forced to go further and further afield, which makes it even less economically viable when you consider the cost of transportation to come back to where they work. Also, there's a glimmer of hope that maybe some of those timber industry jobs and those skills that were lost when that went downhill, will resurface in a responsible manner and that we will see more jobs available, and maybe based on the Applicant, there will be other projects that can see that this makes sense, and it can be a real solution. Those are my comments, and I appreciate everyone taking the time to come down here. It's not that much fun, sitting through this and having to get up, especially in public, and speak your mind. It's tedious and can be intimidating, but I appreciate the report. I think it was thorough, and I think we will always gain more from listening to people as to what their experiences are and what it means to live in Nevada County.

Commissioner Milman: I have a couple of questions that I didn't ask earlier, and some of them are relatively minor, but I wonder if we can go through a couple of them. I heard something earlier that said the noise from the boiler is 24/7. Is the boiler inside of a building?

Planner Smith: Yes, that is correct. The boiler would be running 24/7 and is located in this attached structure that I'm circling on the site plan here. The boiler is entirely enclosed within that boiler plant building.

Commissioner Milman: That building is insulated, correct?

Planner Smith: That is correct.

Commissioner Milman: Realistically, that noise isn't going to go very far.

Planner Smith: That is generally correct. The noise analysis, as Gavin (the Project Representative) alluded to, modeled the building with no insulation and doors open, so the added insulation would reduce those noise impacts beyond what was modeled in the technical analysis.

Commissioner Milman: On the residential buildings, it looks like those are wood sided. Why was that not required to be more like concrete siding or something that was a little less flammable?

Planner Smith: There are Conditions of Approval in the project application to achieve the California Building Code WUI standards, but as discussed previously, the County does not have a whole lot of discretionary authority over the employee housing, because the use, design, development, and implementation is held wholly with the Department of Housing and Community Development.

Commissioner Milman: Well, it sounds like that's not our call, but I know if I were building my house new, I would put up something more than wood siding.

Mr. Mercer: It will be nonflammable.

Commissioner Milman: I know we've talked about it, but with the ash from the biomass, how is that disposed of?

Planner Smith: I would look for the project Applicant to define some specifics, but I know that there is a component of developing biochar for use in spreading through forested areas or uses of soil additives. Dave, please feel free to provide some more specific directions to your plans.

1777 Mr. Mercer: The plan as of now is soil amendment added to topsoil or other biochar soil amendments. So,
1778 add carbon to soil.
1779
1780 Commissioner Milman: Inside the sawmill, what kind of ventilation or worker protection is in place?
1781
1782 Mr. Mercer: Everything that meets Cal OSHA standards. As far as dust or what?
1783
1784 Commissioner Milman: I think I meant mostly dust.
1785
1786 Mr. Mercer: Yes, there are dust controls on all the equipment, and it's all met as part of the manufacturing
1787 process.
1788
1789 Commissioner Milman: So, it's filtered as part of the equipment?
1790
1791 Mr. Mercer: Yes.
1792
1793 Commissioner Milman: Are there additional filters, like on the ventilation, for the building as a whole?
1794
1795 Mr. Mercer: Not for the building as a whole. There's no overall exhaust for the building. There's dust
1796 collection as part of the machines that require it, the machines that generate the dust. Regarding the sawmill
1797 line, green logs don't generate much dust. It's usually the planers, because the wood is already dry, so that's
1798 where the dust is coming from, and that's all extracted and then captured.
1799
1800 Commissioner Milman: And that's part of what's going into the biomass?
1801
1802 Mr. Mercer: Yes. Well, the majority of what's going into the boiler side of it is coming from the sawmill
1803 line, not the planer line.
1804
1805 Commissioner Milman: OK. And why ask for a waiver on the catalytic?
1806
1807 Mr. Mercer: The way these boilers are built, they're built with a gasification recirculation process, which
1808 deals with the NOX. In talking to manufacturer and their engineers, it's far more reliable and works much
1809 more effectively than the SNCR systems do, from their experience doing it.
1810
1811 Commissioner Milman: Do you anticipate that this would actually exceed their requirements?
1812
1813 Mr. Mercer: They feel that the boiler should be down in Category A, is what they're thinking they should
1814 operate at. There are a couple really long memos that go along with it, but that's the gist of it.
1815
1816 Commissioner Milman: We've talked a number of times about local logs being unmarketable due to species
1817 and size. But you're going to be able to use it?
1818
1819 Mr. Mercer: It's not unmarketable for what we feel we can manufacture for it. It's unmarketable for us to
1820 send them to Sierra Pacific, because of the type of wood products that Sierra Pacific produces. [For
1821 example], for Lodge Pole Pine, you can mark it for all sorts of products, but Sierra Pacific generally doesn't
1822 want to run that into their pine stock just because they don't. Also, Jeffrey Pine, which is predominantly
1823 what we have around here, on the east side, they're not a big fan of that for framing material, which is
1824 predominantly what they run through their mills. They are predominantly framing mills, so for framing
1825 materials, they want Douglas fir, red fir, a little bit of white fir. The pine that they do run, they run into
1826 their door and window molding shops, and they can source that from other places and basically don't have
1827 to buy it from here.
1828
1829 Commissioner Milman: I think I saw a filtration soil back behind the building. Is that predominantly for
1830 rainwater, etc., coming off the roof?

1831
1832 Mr. Mercer: Yes, it's part of the whole drainage system for all the impervious surfaces.
1833

1834 Commissioner Milman: My last question is, who plows the road?
1835

1836 Mr. Mercer: Right now, we help the homeowners plow the road, and as part of the Mitigation Measure, we
1837 said that we would plow the road, at least Klondike from our entrance down.
1838

1839 Commissioner Milman: OK, I think that's my questions. Thank you very much.
1840

1841 Commissioner McAteer: Thank you very much. First of all, I've enjoyed coming back up to Truckee. I
1842 know the feeling of many Truckee-ites that the Western County sort of rules the roost, and you guys up
1843 here always get the short end of the deal. That's not the case with this Commissioner, who ran for office
1844 up here four times as your County Superintendent of Schools, walked door to door, and then ran Measure
1845 A to do the tax for the libraries so that we could promise our first commitment, which was renovating the
1846 Truckee library. I've stood in front of your post offices, the two of them, and handed material out to people
1847 who came out, because if you hand people your material when they go in, they take it and throw it right in
1848 the garbage can. But if you're running for office, you wait until they come out, and you hand them the
1849 material here at the Truckee Post office. Anyway, I want you to know that western Nevada County cares
1850 about eastern Nevada County equally, and we took this project very seriously. With that said, I have a few
1851 questions for Kyle. You mentioned that there's going to be a berm up at the top of the road, potentially.
1852 What's that going to look like and how high is that going to be?
1853

1854 Planner Smith: Yes, there will be a berm. I'm circling it here, very nearby the entrance of the facility at
1855 Klondike Flat Road. There's a vegetative berm here. I don't have the height off the top of my head.
1856

1857 Commissioner McAteer: What's the intent? I'm trying to understand what the intent behind that is.
1858

1859 Planner Smith: The intent was to provide some additional screening from the properties on the other side
1860 of it to essentially provide that elevated material, so that the sawmill facility wouldn't be able to be seen
1861 from the private properties on the other side of it.
1862

1863 Commissioner McAteer: OK, I just drove up there today, and [I thought] that was an interesting place. I
1864 thought it would be more diagonal with the Klondike Flat Road. I'm interested in the larger berm for these
1865 families, if possible, just noting that in your Staff Memo, that looks to be about 50 feet or so. Anyway, I'm
1866 just trying to think of anything we can do to create less site problems for these neighborhoods, that would
1867 be appreciated. [Mr. Mercer,] can you tell me about your thought on the berm, if possible?
1868

1869 Mr. Mercer: In our meeting we had with the neighbors, about 18 months ago, it was brought up that Mr.
1870 King didn't appreciate that we were driving across his corner of the property into our gate, so we elected to
1871 move the entrance entirely onto our property through [an approximately] ten-foot cut down there. We're
1872 going to put an earthen screen in the old driveway, which we felt would really help block any sound or
1873 noise from any traffic or anything coming up the hill. Because of the way the topography is there, you're
1874 quite a way down the hill already, below the line of sight of the neighbors.
1875

1876 Commissioner McAteer: So therefore, when I drove in today, I drove where the berm would be?
1877

1878 Mr. Mercer: Correct.
1879

1880 Commissioner McAteer: So, you're having a new entrance into the property?
1881

1882 Mr. Mercer: Correct.
1883

Commissioner McAteer: Thank you. There was a comment by a gentleman here today who said there's somebody turning every eleven minutes or so. Kyle, would you tell me again? I want to know how often are logging trucks going to be turning in or coming out. Could you answer that question for me?

Planner Smith: I'm not sure that has a very easy answer, because as we discussed previously, there's the variation of busiest day to less busy days based on the trip generation of, I believe, 81 total vehicle trips, both including truck and residential trips, spread across...

Commissioner McAteer: I want to bifurcate the residential trips of the workers who come to the mill or that live in the home. I want to know how many logging trucks at its busiest will be turning left or right in and out of that facility.

Planner Smith: Absolutely. I don't have that math on top of my head, but I'd be happy to work it out pretty quickly. It's essentially the number of truck trips, which I believe, and Gavin or LSC, please correct me if I'm wrong, was around 41 over the 15-hour daily period, so 41 divided by 15 hours...

Commissioner McAteer: Three.

Mr. Mercer: Twelve hours.

Planner Smith: That is absolutely correct. Excuse me. Over 12 hours. Forty trips over 12 hours.

Commissioner McAteer: Three; a little over three an hour.

Planner Smith: That's correct.

Commissioner McAteer: Coming in and out, at...are we're talking ingress and egress, so coming in and out? Or is that just in?

Planner Smith: That is in and out, so the trip generation goes both ways. One of my teammates did the math for me. It's just under three and a half.

Commissioner McAteer: Thank you. My next question is to you. I'd like to talk about the nature of those homes there, because I read in many comments from people about sort of... it's like there's some kind of a quasi-problem relative to their construction. You can't help but think, why is there a General Plan that says this is forestry, and then we have half acre lots right next to it. Could you give us a little history of the of the situation?

Planner Smith: Yes. Some of these parcels were created prior to the county's General Plan, so there was no designation, essentially, to be applied to them at the time. Many of the parcels were created prior to the California State Subdivision Map Act, which is the law that regulates subdivisions statewide. That was signed into law in March of 1972. The parcels that were created before that had slightly lesser standards. There have been parcels that were created post 1972, which one of the commenters alluded to, and those parcels created post 1972, outside of the allowances of the Subdivision Map Act, are required to enter into a process called a Certificate of Compliance to legalize those parcels. As a matter of law and practice, when parcels come in that achieve statutory requirements to become legal, we enter into that Certificate of Compliance process to legalize them rather than maintaining some level of essentially undevelopable parcels.

Commissioner McAteer: Can I ask a follow up? It's implying that if you have to come in, that those after 1972...what about those prior to 1972? It's making it sound like there's some illegal component relative to their homes, no?

1937 Planner Smith: No. Prior to 1972, there was just no state subdivision standard to comply with, so essentially
1938 the subdivision of those properties had far fewer steps than they did post '72 or even today, and could have
1939 been subdivided through records of surveys or other technical land surveyor options. That is not a
1940 traditional subdivision as we all know of today, so I wouldn't call those pre-1972 divisions illegal
1941 subdivisions; they were perfectly legal, they just did not need to comply with the 1972 Map Act, because it
1942 wasn't in place.

1943
1944 Commissioner McAteer: How many vacant parcels sit up there that are undeveloped at this point? Any
1945 idea on that?

1946
1947 Planner Smith: Not off the top of my head, but I would not imagine that number is very big - one or two.
1948 I think that most of those parcels there have some measure of development or improvements on them.

1949
1950 Commissioner McAteer: So, there won't be, for the most part, any more development occurring of
1951 residential homes in that area?

1952
1953 Planner Smith: Not without a rezone and General Plan Amendment, because the Forest Zoning District in
1954 this case requires newly created parcels to be 640 acres or larger, and then similarly in the 1990's, the four
1955 or five parcels directly to the north were rezoned by the Board of Supervisors with a site performance
1956 combining district to limit the use of those to recreational and seasonal use only. So, there are a few
1957 properties that are limited to not be allowed for full-time residences at the direction of the Board of
1958 Supervisors.

1959
1960 Commissioner McAteer: Thank you. My final question: the lighting goes off at 10:00 p.m., I gather, and
1961 it's only on a sensor, and it's all downward focused lighting, is that correct?

1962
1963 Planner Smith: That is correct. Standard Conditions of Approval and Land Use and Development Code
1964 require all lighting to be downcast and shielded and have some measure of sensors. As I briefly discussed,
1965 and will reiterate here, we didn't provide specific sensor requirements in these Conditions of Approval. I
1966 left some flexibility there for the Applicant to define some sensor that works with his business operation.

1967
1968 Commissioner McAteer: Thank you. Mr. Mercer, thank you for waiting for me. Let's go back to the ash
1969 disposal for a minute. You're mixing it, you sort of said, with dirt. Does that mean that it gets disposed of
1970 on your property, or does it go somewhere else?

1971
1972 Mr. Mercer: Right now, Al Pombowhere we operate out of Hobart Mills, runs a topsoil side as well, and
1973 that ash can be incorporated into his topsoil as a soil amendment.

1974
1975 Commissioner McAteer: I see, so it won't be on your property.

1976
1977 Mr. Mercer: No.

1978
1979 Commissioner McAteer: Could you tell me about what hazardous waste will be on your property?

1980
1981 Mr. Mercer: Diesel fuel, dyed and clear. Lubricants. That's about it. Well, and then the mass timber glue
1982 I guess would fall into that category as well.

1983
1984 Commissioner McAteer: So, the glue is considered a hazardous material?

1985
1986 Mr. Mercer: Well, it has an MSDS sheet, so everything that has an MSDS sheet I would consider to be.
1987 I'm not an expert on that.

1988
1989 Commissioner McAteer: Sure. Can you talk about the fire threat of lumber mills? Would you like to? I'd
1990 like to give you the chance to address that, that fire in mills is more prevalent than other industrial sources.

1991
1992 Mr. Mercer: Yes. So, wood burns. Everyone knows that. There were quite a few pictures floated around
1993 of wood chip piles on fire. That's predominantly, in today's age, what lights on fire at sawmills. Sawmills,
1994 especially large sawmills, generate a lot of wood chip, and they like to pile it really high. And when they
1995 pile it really high, it starts to get really hot, as part of the decomposition, and you have a cone and
1996 eventually that cone generates enough heat that it lights itself on fire. For us, we're not storing anywhere
1997 near that amount of biomass. As far as that fire risk, it's not prevalent. The sawmill itself: inside the
1998 building is 100% sprinklered. It would be hard pressed, in my view, to have a fire hazard from the sawmill
1999 operation itself. There's been discussion about the log decks being a hazard; you can't light those log decks
2000 on fire. There was a comment about the sprinkling of the logs from one of the public comments. So, you
2001 sprinkler logs to keep them moist so they don't check; you don't sprinkler them to keep them from lighting
2002 on fire.

2003
2004 Commissioner McAteer: So, will there be sprinklers on your logs so that they don't crack or? Or how does
2005 it [work]?

2006
2007 Mr. Mercer: Right now, since we have such a winter season, my view is that we won't have to sprinkle
2008 them if we can consume enough in the summer and store enough for winter, we're not going to have that
2009 much loss from checking.

2010
2011 Commissioner McAteer: OK. And prior to the construction of that facility, will those old logs all be
2012 removed?

2013
2014 Mr. Mercer: No, because there's a fair bit of that that's still usable, especially the Lodge Pole decks. Lodge
2015 Pole doesn't generally go bad. It's pretty hardy wood, so we're going to do something with that. The Jeffrey
2016 Pine decks that came off the pine plantations a couple years ago, that stuff 's going to be pretty gone.

2017
2018 Commissioner McAteer: Give me an idea of the percentage that will be still there when all the buildings
2019 are completed, or to get ready to complete them.

2020
2021 Mr. Mercer: Well, it depends. Right now, where we are working, it's all Lodge Pole. We've got three
2022 months of Lodge Pole that's got to go somewhere so. Chances are that the decks that are there are going to
2023 be that size when construction starts, because we have to put it somewhere.

2024
2025 Commissioner McAteer: OK. How much water does a lumber mill of your size use? I know you've got a
2026 well to be able to have a storage tank and housing water for the housing. How much water will you be
2027 using for your needs in the lumber mill?

2028
2029 Mr. Mercer: So, the only water consumption as part of any of the milling process is humidifying the kilns
2030 in the final step of kiln drying, and it's pretty minimal. Basically, you add some humidity to set the pitch
2031 in pine, right at the end of the kiln cycle.

2032
2033 Commissioner McAteer: So, there's nothing in terms of water to cool saw blades or anything else?

2034
2035 Mr. Mercer: No.

2036
2037 Commissioner McAteer: OK. What products will be going into that boiler? Will everything? Will the
2038 bark be going in there? Tell me what's going in the boiler, and what is then a forest product you have that
2039 you can't do anything with, or you won't be using.

2040 Mr. Mercer: Yes, the bark from the debarker goes into the boiler. It's supplemented by residuals from the
2041 sawmill, and then the residuals from the planer, which is already dried. We're either going to press into a
2042 pressed wood product, which is just basically using the lignin that's already in the wood to bind it, or it's
2043 either a pressed firewood log, or some other product. We can also utilize a lot of that planar residue for
2044 shavings for, for example, horse bedding. That should consume just about all the wood waste.

Commissioner McAteer: So, all of the final products I'm hearing are all to be produced by you, so you're not really taking money products off of the mill site to get produced somewhere else. The logs come in, and out they go either as firewood, glue lams, 2x4's, or they go into the boiler: is that a fair assessment?

Mr. Mercer: Yes, and the model is to try and make as much finished product as we can make, because that makes the most sense to the maximum utilization. It doesn't make sense to send a half-done product to somebody else, then finish it. If we can finish it ourselves, it makes everything better for everybody.

Commissioner McAteer: There's no ammonia being used in a plant like your facility at all?

Mr. Mercer: No.

Commissioner McAteer: Ok, final question: I'm still a little lost about the Hobart Mills site. You rent that facility, or you rent some space there? You don't own anything over there?

Mr. Mercer: No, we've leased about two and a half, three acres from Pombo for about 15 years over there.

Commissioner McAteer: And so, you'll be departing all operations from there?

Mr. Mercer: Yes, correct.

Commissioner McAteer: There's no intent by Mister Pombo or whatever to...I don't know, none of your business, nor probably none of our business, but...

Mr. Mercer: I'm sure Al will be in front of you at some point about whatever he's doing at Hobart.

Commissioner McAteer: OK, thank you very much.

Mr. Mercer: Do you want me to sit down or stay here?

Commissioner McAteer: It's over to Mike. I'm done. Thank you.

Chair Mastrodonato: I'll let you sit. I think I'm going to put this on Kyle (*Planner Smith*). Just a couple of quick questions for clarification. A county road: We can put conditions on a project for the Applicant to put a crosswalk in. We did that with Dollar General in Penn Valley, even turn lanes or any type of road infrastructure becomes the responsibility, financially mainly, of the Applicant, if we put those types of conditions on a project, correct?

Planner Smith: Generally speaking, yes.

Chair Mastrodonato: So just to help us understand this Caltrans dynamic, even if the Applicant volunteered to put in these two turn lanes, Caltrans would not allow that?

Planner Smith: I do not want to speak for Caltrans specifically. They didn't require it for this project, and usually improvements that Caltrans implements on their highways are defined and designed by Caltrans themselves and their engineers for the benefit of the greater highway system. Private property owners could issue proposals for improvements within Caltrans, and then Caltrans would usually take those under advisement through their traditional project review process. I am not aware of private developments having much success entering into that Caltrans review process, because they have a very specific and itemized list of projects in what's called the STIP, the State Transportation Improvement Program. There's essentially an itemized list of projects by need or location or expansion for one reason or another. Just as a function of the state agency, they have the allowance to sort of preempt some of our local controls in their rights of way.

Planner Barrington: I'll just add to that: if the traffic study did identify a need, then Caltrans would require an improvement if they felt there was an impact or a safety concern.

Chair Mastrodonato: Caltrans has done these public/private enterprises with an Applicant on a project.

Planner Barrington: Correct. Usually, they pay a proportional share from the impacts of their project based on need. Your Dollar General reference, the one in Alta Sierra, was required to do some improvements to the traffic light on Highway 49 and Alta Sierra, but it didn't get built, so those improvements weren't made.

Chair Mastrodonato: All right, that clears that up for me. I find myself going to this question quite often now, especially when it comes to Use Permit issues coming before us. Kyle, if you could, as a matter of conversation and a point, what can the Applicant do with this property without a Use Permit right now? More specifically, can he run 80 trucks a day up there, into his property?

Planner Smith: The nature of what we consider allowed uses pursuant to the zoning code (in residential zones, that's residences in the Forest Zone): there are limited allowed uses, one being a temporary storage of logs, but there are not strict regulatory requirements for trip generation, or those sorts of things for allowed uses. In a similar fashion, we don't limit or identify a number of trips for a residence in a residential zone, so it's sort of the function of allowed uses that there just aren't those specific regulatory controls that are applied through a Use Permit or some other discretionary activity.

Chair Mastrodonato: So, a Use Permit puts a number on it. Without the permit, if the Applicant ran 100 trucks a day up there, could that turn into a code compliance issue?

Planner Smith: Yes, it could. It's not that there is no regulatory control. There are just no very specific regulations. An operation could rise to the level of what's considered a public nuisance, and we do regulate nuisance, but that is generally defined in a court of law.

Chair Mastrodonato: Gotcha. I find it always curious as to... you know, I hate to go there and say this is a "pick your poison" situation. It's not. But sometimes perfect becomes the enemy of good, and it becomes a difficult choice here. Even hearing from folks who oppose this project, it's a much-needed project, and I think everyone's in agreement that the Applicant, as far as being a person and a good neighbor and someone to work with, is above reproach. It leads me to the other thing I say all the time, "If not this, what? And if not here, where?" But generally, I think that I could support this project. That's all I have.

Motion made by Commissioner Garst to approve and adopt the proposed Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program (EIS24-0004) as amended and provided in Attachment 2 pursuant to Sections 15073.5(c)(1), 15074, and 15097 of the California Environmental Quality Act Guidelines, and make Findings A through D, as amended in the hearing, as discussed in relationship to Mitigation Measure 3C.

Second by Commissioner Duncan. Motion carried on a 5/0 vote.

Motion made by Commissioner Garst to approve and adopt the proposed Conditional Use Permit (CUP23-0004), subject to the Conditions of Approval and Mitigation Monitoring and Reporting Program (Attachment 1), and pursuant to the Nevada County Zoning Regulations make the following findings A through L, including the amendments to Mitigation Measure 3C.

Second by Duncan. Motion carried on a 5/0 vote.

Chair Mastrodonato: The approval of the Use Permit is subject to a ten-day appeal.

Planner Barrington: Correct, all actions of the Commission.

Chair Mastrodonato closed public hearing at 6:28 p.m.

INFORMATIONAL ITEMS & ON-GOING PROJECT UPDATES:

Chair Mastrodonato: Any discussion about upcoming meetings?

Planner Barrington: At this time, there are no upcoming meetings scheduled. The next potential project is likely the update to the Cannabis Ordinance and potentially the Tiny Homes on Wheels Ordinance. We also have a gas station in South County and a 20-lot subdivision in Nevada City that we're processing, but we don't have dates at this time.

Chair Mastrodonato: Any other announcements or information?

Commissioner McAteer: I will not be here in September.

Chair Mastrodonato: Does the Applicant have any desire to collect these plans?

Planner Smith: Staff has a desire to collect those plans.

Chair Mastrodonato: They belong to the County, correct?

Planner Smith: You can give them back to the Applicant, but I would prefer that Planning Staff maintain them for the time being.

Chair Mastrodonato adjourned the meeting at 6:32 p.m.

There being no further business to come before the Commission, the meeting was adjourned at 6:32 p.m. to the next meeting, to be held in on a date October to be determined, in the Board Chambers, Eric Rood Administration Center, 950 Maidu Avenue, Nevada City, California.

Passed and accepted this day of , 2024.

Brian Foss, Ex-Officio Secretary