

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



February 25, 2014

Advice Letter 3908-E

Brian Cherry
Vice President, Regulation and Rates
Pacific Gas and Electric Company
P.O. Box 770000
San Francisco, CA 94177

**SUBJECT: STRUCTURE ENCROACHMENT IN NEVADA COUNTY-REQUEST FOR APPROVAL
OF ENCROACHMENT AGREEMENT UNDER SECTION 851**

Dear Mr. Cherry:

Advice Letter 3908-E is effective as of February 24, 2014.

Sincerely,

A handwritten signature in cursive script that reads "Edward Randolph".

Edward Randolph
Director, Energy Division

September 22, 2011

Advice 3908-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Structure Encroachment in Nevada County – Request for Approval of Encroachment Agreement Under Section 851

Purpose

Pacific Gas and Electric Company (“PG&E”) submits this advice letter seeking approval, under Public Utilities (P.U.) Code Section 851 (“Section 851”), for PG&E to enter into an Encroachment Agreement (the “Agreement”) with John L. Miller and Beverly L. Miller, Trustees of The John and Beverly Miller Family Trust dated April 16, 2004 (the “Miller Family Trust” or “Owners”). The Agreement regards the encroachment of a certain PG&E electric transmission line easement located in Nevada County (the “County”), located on property owned by the Owners (the “Easement”), by certain improvements which do not interfere with the present and full use of the Easement Area by PG&E. A copy of the Agreement is attached hereto as Attachment 1.

Background

PG&E owns land, land rights, buildings and other facilities in connection with the provision of gas and electric services to its customers throughout northern and central California. In the provision of its electric transmission services, PG&E relies on a wide system of electric transmission lines. One such electric transmission line is located on 2.97 acres of fee property owned by the Miller Family Trust located in the unincorporated area of Nevada County, State of California, (the “Property”).

PG&E is the owner of a certain easement and right-of-way for the portion of the Brunswick #1 -115kV electric transmission tower line corridor that crosses the Property, as set forth in a Grant of Easement dated May 15, 1969, and recorded June 25, 1969, in Book 478 of Official Records at page 395, Nevada County Records, which provides in part that no “building or other structure” shall be erected or constructed on the premises. The portion of the Property encumbered by the Easement is a strip of land of the uniform width of 80 feet and is hereinafter referred to as the “Easement Area.”

As part of a larger development project, the Owners propose to construct a trash enclosure and lighting standards including concrete foundations and other improvements such as new impervious surfaces associated therewith (the "Improvements") on the Easement Area to accommodate the proposed development, the construction of which violates the prohibition against buildings or other structures contained in the Easement. The Easement Area and the portion of the Easement Area subject to such encroachment (the "Encroachment Area") are shown by a heavy dashed line upon Exhibit "B" to the Agreement.

The Owners have requested that PG&E grant permission for the construction of the Improvements within the Easement Area with the purpose of supporting a larger development project located adjacent to the Encroachment Area. PG&E has determined that the Improvements, to be constructed pursuant to plans and specifications approved by PG&E, do not interfere with the present full use of the Easement Area by PG&E, and PG&E is therefore willing to agree to allow such encroachment on the Easement Area on the terms and subject to the conditions set forth in the Agreement.

Notwithstanding the prohibition in the Easement, PG&E consents to the encroachment of the Improvements onto the Easement Area in the manner and location as more specifically set forth in Exhibit "B" and the terms and conditions set forth in the Agreement.

In accordance with ALJ-244¹, Appendix A, Section IV, PG&E provides the following information related to the proposed transaction:

(1) Identity and Addresses of All Parties to the Proposed Transaction:

Pacific Gas and Electric Company	Milco Development
Ann H. Kim	Attention: John Miller, President
Law Department	13620 Lincoln Way, Ste 300
P.O. Box 7442	Auburn, CA 95603
San Francisco, CA 94120	Telephone: (530) 888-0191
Telephone: (415) 973-7467	Facsimile: (530) 888-0761
Facsimile: (415) 973-5520	E-mail:
Email: AHK4@pge.com	john@milcodevelopment.com

(2) Complete Description of the Property Including Present Location, Condition and Use:

¹ ALJ-272 (August 18, 2011) extended the Pub. Util. Code § 851 Pilot Program established in Resolution ALJ-186, as modified by Resolutions ALJ-202 and ALJ-244, pending the Commissions consideration of comments filed by interested parties and possible future amendments to the pilot program.

The Miller Family Trust is the fee title owner of the Property in the unincorporated area of Nevada County, California. The Property consists of 2.97 acres and is designated as Assessor's Parcel Number (APN) 09-680-50 located in the unincorporated area of Nevada County adjacent to the City of Grass Valley city limits. The Property is currently vacant and undeveloped. The area has not been used for agricultural purposes nor is it near any farming locations. The site is not near any habitat conservation plan or natural community conservation plan. A copy of the Grant Deed of the Property is attached hereto as Attachment 2.

PG&E is the owner of a certain easement and right-of-way for electric transmission line facilities and for all other purposes connected therewith, as set forth in the deed from Edwin H. Bruning and Wenona E. Bruning, husband and wife, and Gladys M. Perkins to PG&E dated May 15, 1969, and recorded June 25, 1969, in Book 478 of Official Records at page 395, Nevada County Records, for the portion of the Brunswick #1 -115kV electric transmission tower line corridor that crosses the Property. The Easement Area measures 80-feet wide and 401-feet long and represents 0.74 acres of the Property. A copy of the Easement is attached hereto as Attachment 3.

As described earlier, the Easement expressly prohibits construction of any buildings or structures within the Easement Area. The Encroachment Area represents 274 square feet of the Easement Area.

(3) Intended Use of the Property:

As stated earlier, the intended use of the Property is to support a larger development project located adjacent to the Encroachment Area. The Owners have requested that PG&E grant permission for the Owners to use and maintain the Improvements within the Easement Area. PG&E has determined that the Improvements, as proposed, do not interfere with the present full use of the Easement Area by PG&E, and PG&E is therefore willing to agree to allow such encroachment on the Easement Area on the terms and subject to the conditions set forth in the Encroachment Agreement.

The Encroachment Agreement includes all the provisions that have typically been used in PG&E Encroachment Agreements that have been approved by the CPUC, and provides various protections that may be beneficial to PG&E and its ratepayers, including:

- the right of PG&E to terminate the Agreement and to require restoration of the Easement Area upon 90 days' notice;
- express insurance requirements carried by the Owners that meets Owner's and Employer's Liability insurance limits;

- indemnification and release by the Owner of PG&E against all claims arising from this use;
- reaffirmation of the prohibition against the construction of any additional buildings or structures within PG&E's Easement Area; and
- a requirement that that the Owners must be responsible for maintenance of the existing improvements in good condition and coordination of such maintenance with PG&E.

Furthermore, upon the CPUC's issuance of its P.U. Code Section 851 approval, the Encroachment Agreement will be executed and be recorded so as to run with the land. This will provide all future owners of the property with constructive notice of the terms of the Agreement, which will be binding on any successors in interest.

Approval of this Agreement is in the interests of PG&E's customers as it provides the same types of protections the CPUC has approved in various Section 851 Decisions approving encroachment agreements for other minor encroachments.² In addition, the Commission has long recognized that the public interest is served when utility property is used for other productive purposes without interfering with the utility's operations or the provision of utility service to the public. (D.04-07-023, mimeo, p. 1.)

In view of the protections afforded by the Agreement and the fact that the Improvements do not interfere with PG&E's utility operations, this transaction is not adverse to the public interest, and in fact the CPUC has repeatedly approved Section 851 filings for such encroachment agreements, including in instances where a utility later discovers that small portions of existing structures were built without a utility's knowledge and consent on PG&E property or into its easements.³

PG&E therefore seeks authorization from the Commission pursuant to Section 851 prospectively approving this Agreement and granting approval for the proposed Improvements that will support adjacent community development without interfering with PG&E's provision of service, as reasonable and not adverse to the public interest.

(4) Complete Description of Financial Terms of the Proposed Transaction:

² See e.g., Resolutions E-4303 (12/03/09, Healdsburg Water Well Encroachment), E-4089 (5/24/07, Saintsbury Winery Solar Panels), E-4099 (2/14/08, Lennar Block Wall), G-3423 (9/18/08, Suisun Pedestrian/Bike Bridge); and Section 851 Approval Letter of then-Energy Division Director Sean Gallagher dated September 21, 2006, approving Advice Letter 2801-E (pre-existing swimming pool later discovered to be a minor encroachment into PG&E's right-of-way).

³ See e.g., D.05-11-023; a September 21, 2006 Energy Division Director's Approval Letter of Advice Letter 2801-E; Resolution E-4267 issued August 21, 2009; and Resolution E-4284 issued November 20, 2009.

PG&E is collecting a nominal administrative fee of \$1,000 associated with granting an Encroachment Agreement to the Owners. PG&E is seeking approval of the restrictive requirements in the Agreement as a condition of allowing the Owners to encroach upon PG&E's easements for operation and maintenance of the Improvements on the Owner's Property. PG&E's consent to allow the Owners to encroach upon the Easement Area on the Owner's Property does not rise to the level of a right that has any realizable economic value to PG&E.

(5) Description of How Financial Proceeds of the Transaction Will Be Distributed:

Not applicable.

(6) Statement on the Impact of the Transaction on Ratebase and Any Effect on the Ability of the Utility to Serve Customers and the Public:

Not applicable.

(7) The Original Cost, Present Book Value, and Present Fair Market Value for Sales of Real Property and Depreciable Assets, and a Detailed Description of How the Fair Market Value Was Determined (e.g., Appraisal):

Not applicable.

(8) The Fair Market Rental Value for Leases of Real Property, and a Detailed Description of How the Fair Market Rental Value Was Determined:

Not applicable.

(9) For Fair Market Rental Value of the Easement or Right-of-Way and a Detailed Description of How the Fair Market Rental Value Was Determined:

Not applicable.

(10) A Complete Description of any Recent Past (Within the Prior Two Years) or Anticipated Future Transactions that May Appear To Be Related to the Present Transaction⁴:

Not applicable.

⁴ During adoption of the Advice Letter pilot program in ALJ-186 (later followed by ALJ-202, ALJ-244, and ALJ-272), this category of information was included to enable the CPUC to ensure that utilities were not seeking to circumvent the \$5 million Advice Letter threshold by dividing what is a single asset with a value of more than \$5 million into component parts each valued at less than \$5 million, which is clearly not the case here. (See CPUC Resolution ALJ-186, issued August 25, 2005, mimeo, p.5.)

(11) Sufficient Information and Documentation (Including Environmental Review Information) to Indicate that All Criteria Set Forth in Section II of Resolution ALJ-244 Are Satisfied:

PG&E has provided information in this advice letter to meet the eligibility criteria under the Section 851 Expedited Advice Letter Pilot Program adopted under Resolution ALJ-244:

- Under the CEQA Checklist, the activity proposed in the transaction will not require environmental review by the CPUC as a lead agency.
- The proposed transaction will not have an adverse effect on the public interest because it will not interfere in any way with the operation of PG&E's facilities, or with the provision of service to PG&E's customers.
- The proposed transaction meets the financial threshold of \$5 million since PG&E is collecting an administrative fee of \$1,000 associated with granting this encroachment agreement.
- Finally, the transaction does not involve the transfer or change in ownership of facilities currently used in utility operations.

(12) Additional Information to Assist in the Review of the Advice Letter:

Not applicable.

(13) Environmental Information

This project does not require the CPUC to conduct CEQA review as a lead agency. Rather, pursuant to P.U. Code Section 853(d) as amended by AB 698 effective January 1, 2010, this project, which has already received CEQA review by the City of Grass Valley as lead agency, may be considered by the Commission in this Section 851 request via advice letter.⁵ In accordance with CEQA, the City of Grass Valley has conducted an Initial Study to determine whether the following project may have a significant adverse effect on the

⁵ Under Section 853(d) and CPUC Resolution ALJ-244, the Section 851 advice letter process may be used if the activity proposed in the transaction will not require environmental review by the CPUC as a Lead Agency (1) because a statutory or categorical exemption applies (the applicant must provide a notice of exemption from the Lead Agency or explain why an exemption applies), or (2) because the transaction is not a project under CEQA (the applicant must explain the reasons why it believes that the transaction is not a project), or (3) because another public agency, acting as the Lead Agency under CEQA, has completed environmental review of the project, and the Commission is required to perform environmental review of the project only as a Responsible Agency under CEQA. (See CPUC Resolution ALJ-244, Appendix A, Section 851 Pilot Program Regulations, issued February 25, 2010, mimeo, p.1.) The transaction proposed in this Advice Letter meets the third criterion.

environment. On the basis of that study, the City finds that the proposed project will not have a significant adverse effect on the environment and will not require the preparation of an Environmental Impact Report. Therefore, a Mitigated Negative Declaration (“MND”) has been prepared.

The City of Grass Valley assumed the role of lead agency responsible for the environmental analysis. Based on this analysis, the project was found not to pose any potential significant adverse environmental impacts under CEQA. On February 28, 2011, a MND was issued by the City of Grass Valley in accordance with the requirements of CEQA and its guidelines. On April 26, 2011, the City of Grass Valley Development Review Committee recommended that the City Council approve the Study. On June 28, 2011, City Council and Redevelopment Agency issued Resolution 2011-51 approving the Study. A copy of the City’s Ordinance, Resolution 2011-51, May 17, 2011 Staff Report to the Planning Commission, Mitigated Negative Declaration and Addendum and Maps/Exhibits from Applicant are attached herein as Attachment 4.

a. Exemption

i. Has the proposed transaction been found exempt from CEQA by a government agency?

1. If yes, please attach notice of exemption. Please provide name of agency, date of Notice of Exemption, and State Clearinghouse number.

Not Applicable

2. If no, does the applicant contend that the project is exempt from CEQA? If yes, please identify the specific CEQA exemption or exemptions that apply to the transaction, citing to the applicable State CEQA Guideline(s) and/or Statute(s).

Not Applicable

b. Not a “Project” Under CEQA

i. If the transaction is not a “project” under CEQA, please explain why.

Not Applicable

Protests

Anyone wishing to protest this filing may do so by letter sent via U.S. mail by facsimile or electronically, any of which must be received no later than **October 12, 2011**, which is 20 days after the date of this filing. Protests should be mailed to:

CPUC Energy Division
Attention: Tariff Unit, 4th Floor
505 Van Ness Avenue
San Francisco, CA 94102

Facsimile: (415) 703-2200
E-mail: mas@cpuc.ca.gov and jnj@cpuc.ca.gov

Copies of protests also should be mailed to the attention of the Director, Energy Division, Room 4004, at the address shown above.

The protest also should be sent via U.S. mail (and by facsimile and electronically, if possible) to PG&E at the address shown below on the same date it is mailed or delivered to the Commission.

Pacific Gas and Electric Company
Attention: Brian Cherry
Vice President, Regulation and Rates
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177

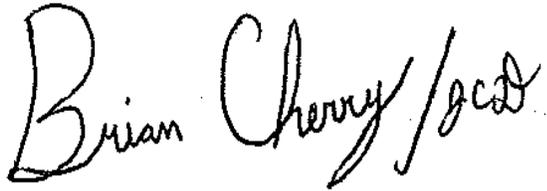
Facsimile: (415) 973-6520
E-mail: PGETariffs@pge.com

Effective Date

Pursuant to the review process outlined in Resolution ALJ-244, PG&E requests that this advice filing become effective as soon as possible. Pursuant to Provision VII.A.5 of the Section 851 Pilot Program Regulations (Resolution ALJ-244, Appendix A), PG&E submits this filing as a Tier 2 (meaning that it may be approved by the Executive Director or Energy Division Director) if unprotested, or as Tier 3 (if protested).

Notice

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list and Appendix A. Address change requests and electronic approvals should be directed to e-mail PGETariffs@pge.com. Advice letter filings can also be accessed electronically at <http://www.pge.com/tariffs>.

A handwritten signature in black ink that reads "Brian Cherry /gcd". The signature is written in a cursive style.

Vice President - Regulation and Rates

Attachments

- Attachment 1 – Encroachment Agreement
- Attachment 2 – Grant Deed
- Attachment 3 – PG&E Easement
- Attachment 4 – Nevada County Planning Commission Staff Report, Mitigated Negative Declaration, and Addendum and Maps

***** SERVICE LIST Advice 3908-E *****
APPENDIX A

Karen Clopton
 Administrative Law Judge Division
 505 Van Ness Avenue
 San Francisco, CA 94102
 (415) 703-2008
kvc@cpuc.ca.gov

Myra J. Prestidge
 Administrative Law Judge Division
 505 Van Ness Avenue
 San Francisco, CA 94102
 (415) 703-2629
tom@cpuc.ca.gov

Jonathan Reiger
 Legal Division
 505 Van Ness Avenue
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Andrew Barnsdale
 Energy Division
 505 Van Ness Avenue
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Kenneth Lewis
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 San Francisco, CA 94102
 (415) 703-1090
kl1@cpuc.ca.gov

Brewster Fong
 Division of Ratepayer Advocates
 505 Van Ness Avenue
 San Francisco, CA 94102
 (415) 703- 2187
bfs@cpuc.ca.gov

***** AGENCIES *****

Nevada County Community Development
 Agency
 Planning Department
 Attention: Jory Stewart, AICP, Planning
 Director
 950 Maidu Ave. Suite 170
 Nevada City, CA 95959
 Telephone: 530-265-1222
 Facsimile: 530-265-9851
 Email: planning@co.nevada.ca.us

***** 3rd Party *****

Milco Development
 Attention: John Miller, President
 13620 Lincoln Way, Suite 300
 Auburn, CA 95603
 Telephone: (530) 888-0191
 Facsimile: (530) 888-0761
 E-mail: john@milcodevelopment.com

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. **Pacific Gas and Electric Company (ID U39 M)**

Utility type:

ELC

GAS

PLC

HEAT

WATER

Contact Person: Conor Doyle

Phone #: (415) 973-7817

E-mail: jcdt@pge.com

EXPLANATION OF UTILITY TYPE

ELC = Electric

GAS = Gas

PLC = Pipeline

HEAT = Heat WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: **3908-E**

Tier: 2

Subject of AL: **Structure Encroachment in Nevada County - Request for Approval of Encroachment Agreement Under Section 851**

Keywords (choose from CPUC listing): **Section 851**

AL filing type: Monthly Quarterly Annual One-Time Other _____

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No

Summarize differences between the AL and the prior withdrawn or rejected AL:

Is AL requesting confidential treatment? If so, what information is the utility seeking confidential treatment for: No

Confidential information will be made available to those who have executed a nondisclosure agreement: N/A

Name(s) and contact information of the person(s) who will provide the nondisclosure agreement and access to the confidential information: _____

Resolution Required? Yes No

Requested effective date: **ASAP**

No. of tariff sheets: NA

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: NA

Service affected and changes proposed:

Protests, dispositions, and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division

Tariff Files, Room 4005

DMS Branch

505 Van Ness Ave., San Francisco, CA 94102

jnj@cpuc.ca.gov and mas@cpuc.ca.gov

Pacific Gas and Electric Company

Attn: Brian K. Cherry, Vice President, Regulation and Rates

77 Beale Street, Mail Code B10C

P.O. Box 770000

San Francisco, CA 94177

E-mail: PGETariffs@pge.com

Attachment 1
Encroachment Agreement

RECORDING REQUESTED BY AND RETURN TO:

PACIFIC GAS AND ELECTRIC COMPANY
Land Services Office
Street Address
City, CA Zip Code

Location: City/Uninc _____

Recording Fee \$ _____

Document Transfer Tax \$ _____

This is a conveyance where the consideration and Value is less than \$100.00 (R&T 11911).

Computed on Full Value of Property Conveyed, or

Computed on Full Value Less Liens & Encumbrances Remaining at Time of Sale

Signature of declarant or agent determining tax

(APN 09-680-50)

ENCROACHMENT AGREEMENT

This Encroachment Agreement (this "**Agreement**") is made and entered into this ___ day of _____, 2011 by PACIFIC GAS AND ELECTRIC COMPANY, a California corporation, hereinafter called "**PG&E**", and John L. Miller and Beverly L. Miller, Trustees of The John and Beverly Miller Family Trust, dated April 16, 2004, hereinafter called "**Owners.**"

RECITALS

A. Owners are the fee title owners of certain real property within the county of Nevada, State of California, Assessor's Parcel Number 09-680-50 (hereinafter, the "**Property**") as shown as the hatched area upon **Exhibit "A"** attached hereto and made a part hereof.

B. PG&E is the owner of a certain easement and right-of-way (the "**Easement**") for the electric transmission facilities and for all other purposes connected therewith, as set forth in the Grant of Easement dated May 15th, 1969 and recorded in Book 478 of Official Records at page 395, Nevada County Records which provides in part that no "building or other structure" shall be erected or constructed on the premises. The portion of the Property encumbered by the Easement is hereinafter referred to as the "**Easement Area.**"

C. Owners propose to construct a trash enclosure and lighting standards including concrete foundations and other improvements associated therewith (the "**Improvements**") on the Easement Area, the construction of which violates the prohibition against buildings or other

structures contained in the Easement. The Easement Area and the portion of the Easement Area subject to such encroachment (the "**Encroachment Area**") are shown by a heavy dashed line upon **Exhibit "B"** attached hereto and made a part hereof.

D. Owners have requested that PG&E grant permission for the construction of the Improvements within the Easement Area. PG&E has determined that the Improvements, to be constructed pursuant to plans and specifications approved by PG&E, do not interfere with the present full use of the Easement Area by PG&E, and PG&E is therefore willing to agree to allow such encroachment on the Easement Area on the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Owners and PG&E hereby agree as follows:

1. Consent to Encroachment. Notwithstanding the prohibition in the Easement, PG&E hereby consents to the encroachment of the **Improvements** onto the Easement Area in the manner and location as more specifically set forth in **Exhibit "B"** subject to the terms and conditions set forth herein. In addition, Owners shall have the right of ingress and egress over the Easement Area to obtain access to the Encroachment Area and the Improvements when necessary to fulfill Owners' obligations under this Agreement, in such areas as PG&E determines, in its sole and absolute discretion, will occasion the least practicable damage and inconvenience to PG&E, its facilities and operations.

2. Governmental Approvals. This Agreement shall not become effective, notwithstanding that it may have been executed and delivered by the parties, and Owners shall not commence any activity hereunder, unless and until the California Public Utilities Commission (the "CPUC") approves this Agreement by an order which is final, unconditional and unappealable (including exhaustion of all administrative appeals or remedies before the CPUC), and the terms and conditions of such CPUC approval are satisfactory to PG&E in its sole and absolute discretion. This Agreement is made subject to all the provisions of such approval, as more particularly set forth in CPUC Decision _____ (Application No. _____), in like manner as though said provisions were set forth in full herein.

3. Termination; Restoration. **PG&E may terminate Owners' rights under this Agreement, at any time, upon ninety (90) days written notice to the Owners, if PG&E, in its sole and absolute discretion, should determine that Owners' use of the Easement Area is inconsistent with PG&E's operational needs in the future, or in any way interferes with, impairs or otherwise impedes PG&E's full use of facilities installed or that may be installed by PG&E in the vicinity of the Easement Area. Upon such termination, Owners, at Owners' sole cost and expense, shall remove all Improvements that encroach upon the Easement Area and shall repair and restore the Easement Area as nearly as possible to the condition that existed prior to the construction of said Improvements. Owners shall pay the entire cost of such removal and restoration, and PG&E shall have no liability for any costs caused by or related to any such termination. If Owners fail to remove all Improvements that encroach onto the Easement Area or fail to repair or restore the Property within said ninety (90) day period, PG&E may perform such removal, repair or restoration as necessary and recover**

such costs and expenses therefore from Owners. Owners agree to allow access to PG&E onto the Property for such purpose, and Owners shall pay all such costs and expenses within ten (10) days of receipt of an invoice therefore. Owners further acknowledge that PG&E's termination right shall not be affected by any Improvements that Owners have made to the Easement Area, regardless of the nature or extent of those Improvements. Owners understand and agree that notwithstanding that Owners may have made a substantial investment in such improvements, Owners shall not be entitled to any compensation whatsoever for the termination of Owners' rights under this Agreement by PG&E. (Owners to initial here _____, _____).

4. Indemnification; Release.

(a) Indemnification. Owners shall, to the maximum extent permitted by law, indemnify, protect, defend and hold harmless PG&E, its parent corporation, subsidiaries and affiliates, and their respective officers, managers, directors, representatives, agents, employees, transferees, successors and assigns (each, an "Indemnitee" and collectively, "Indemnitees") from and against all claims, losses (including, but not limited to, diminution in value), actions, demands, damages, costs, expenses (including, but not limited to, experts fees and reasonable attorneys' fees and costs) and liabilities of whatever kind or nature (collectively, "Claims"), which arise from or are in any way connected with the occupancy or use of the Easement Area by Owners or Owners' contractors, agents, or invitees, or the exercise by Owners of its rights hereunder, or the performance of, or failure to perform, Owners' duties under this Agreement, including, but not limited to, Claims arising out of: (1) injury to or death of persons, including but not limited to employees of PG&E; (2) injury to property or other interest of PG&E, Owners or any third party; (3) violation of any applicable federal, state, or local laws, statutes, regulations, or ordinances, including all legal requirements relating to human health or the environment, and including any liability which may be imposed by law or regulation without regard to fault; excepting only with respect to any Indemnitee, any Claim arising from the sole, active negligence or willful misconduct of such Indemnitee. In the event any action or proceeding is brought against any Indemnitee for any Claim against which Owners are obligated to indemnify or provide a defense hereunder, Owners upon written notice from PG&E shall defend such action or proceeding at Owners' sole expense by counsel approved by PG&E, which approval shall not be unreasonably withheld, conditioned or delayed.

(b) Release. Owners accept all risk relating to its occupancy and use of the Easement Area. PG&E shall not be liable to Owners for, and Owners hereby waive, release, exonerate, discharge and covenant not to sue PG&E and the other Indemnitees from, any and all liability, whether in contract, tort or on any other basis, for any injury, damage, or loss resulting from or attributable to any occurrence on or about the Easement Area, the condition of Easement Area, the use or occupancy of the Easement Area by Owners, or PG&E's operation and maintenance of PG&E's facilities in the vicinity of the Easement Area, except in the case of any Indemnitee, any injury, damage, or loss arising from the sole, active negligence or willful misconduct of such Indemnitee.

5. Compliance with Laws. Owners shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances, rules, regulations, requirements or orders of municipal, state, and federal authorities now in force or that may later be in force, with the conditions of any permit, relating to Owners' use or occupancy of the Easement Area.

6. Alterations. Except for the Improvements authorized to be constructed pursuant to this Agreement, Owners shall not construct any additional buildings or structures on the Easement Area, nor shall Owners make any alteration, addition or improvement to the Easement Area that would increase the Encroachment Area, either horizontally or vertically. Owner shall not drill, bore or excavate on the Easement Area except in connection with construction of the Improvements pursuant to plans and specifications approved by PG&E, or a removal of the Improvements as required by this Agreement.

7. Damage or Destruction. In the event that the Improvements which encroach onto the Easement Area shall be destroyed or demolished, Owners shall not rebuild the Improvements on any part of the Easement Area except pursuant to plans and specifications approved by PG&E.

8. Condition of Easement Area. Owners accept the Encroachment Area and the Easement Area in its existing physical condition, without warranty by PG&E or any duty or obligation on the part of PG&E to maintain the Easement Area. Owners understand that numerous hazards, environmental or otherwise, may be located in, on, or underlying the Easement Area, and that hazardous materials may be used in connection with PG&E facilities that may be operated in the Easement Area, and agrees that entry onto the Easement Area is at Owners' sole risk and expense

9. Maintenance. Owners shall be responsible for the maintenance of the Improvements in good condition and repair, and Owners shall coordinate all activities regarding the maintenance of the Improvements to reasonably minimize any interference with the use by PG&E of the Easement Area, and Owners shall conduct its activities in such a manner so as not to endanger the Easement, the environment and human health and safety. Owners shall be responsible for remediation of any hazardous materials release caused by Owners, and to clean and remove debris and/or promptly repair any damages to the Easement Area following any entry or activity by Owners, returning the Easement Area to a like or better condition.

10. Reserved Rights. PG&E reserves the right to use the Easement Area for such purposes as it may deem necessary or appropriate if, and whenever, in the interest of its service to its patrons or consumers or the public, it shall appear necessary or desirable to do so. Furthermore, PG&E reserves the right to restrict access to the Easement Area if emergency repairs or maintenance are required to PG&E facilities in the vicinity of the Easement Area.

11. Insurance. Prior to the Effective Date of this Agreement, Owners shall procure, and thereafter Owners shall carry and maintain in effect at all times the following insurance: Worker's Compensation in compliance with applicable labor codes, acts, laws or statutes, state or federal, where Owners perform work and Employer's Liability insurance with limits not be less than \$1,000,000 for injury or death, each accident; Commercial General Liability for bodily injury and

property damage with limits of not less than \$1,000,000 each occurrence/\$2,000,000 aggregate; Business Auto, code 1 "any auto" combined single limit no less than \$1,000,000 each accident. Owners are also responsible for causing its agents, contractors and subcontractors to comply with the insurance requirements of this Agreement at all relevant times.

12. Notice. Any notices or communications hereunder shall be in writing and shall be personally delivered or sent by first class mail, certified or registered, postage prepaid, or sent by national overnight courier, with charges prepaid for next business day delivery, addressed to the addressee party at its address or addresses listed below, or to such other address or addresses for a party as such party may from time to time designate by notice given to the other party. Notices shall be deemed received, if sent by personal delivery upon actual receipt by the party being sent the notice, or on the expiration of three (3) business days after the date of mailing, or on the following business day if sent by overnight courier

If to PG&E:

Auburn Land Office
Pacific Gas and Electric Company
Attention: Land Agent
343 Sacramento St.
Auburn, CA 95603

With a copy to:

Pacific Gas and Electric Company
P.O. Box 7442, Mail Code B3OA
San Francisco, California 94120
Attention: Grant Guerra

If to Owners:

Milco Development, Inc.
John Miller, President
13620 Lincoln Way, Suite 300
Auburn, CA 95603

13. Governing Law. This Agreement shall in all respects be interpreted, enforced, and governed by and under the laws of the State of California.

14. Entire Agreement. This Agreement and the Deed, supersedes all previous oral and written agreements between and representations by or on behalf of the parties and constitutes the

entire agreement of the parties with respect to the subject matter hereof. This Agreement may not be amended except by a written agreement executed by the parties.

15. Binding Effect. This Agreement and the covenants and agreements contained herein shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective heirs, successors and assigns (subject to the provisions of Section 17 below). No assignment or delegation by Owners, whether by operation of law or otherwise, shall relieve Owners of any of its duties, obligations or liabilities hereunder, in whole or in part. The covenants of Owners hereunder shall run with the land.

16. Assignment. This Agreement and the rights of Owners hereunder are appurtenant to the Property presently owned by Owners and may not be separately assigned, transferred, conveyed or encumbered. Any purported assignment, transfer, conveyance or encumbrance violating the foregoing condition shall be void and of no effect.

17. Attorneys' Fees. Should either party bring an action against the other party, by reason of or alleging the failure of the other party with respect to any or all of its obligations hereunder, whether for declaratory or other relief, then the party which prevails in such action shall be entitled to its reasonable attorneys' fees (of both in-house and outside counsel) and expenses related to such action, in addition to all other recovery or relief. A party shall be deemed to have prevailed in any such action (without limiting the generality of the foregoing) if such action is dismissed upon the payment by the other party of the sums allegedly due or the performance of obligations allegedly not complied with, or if such party obtains substantially the relief sought by it in the action, irrespective of whether such action is prosecuted to judgment.

18. Survival of Obligations. Owners' obligations under Sections 3 and 4 of this Agreement, and all representations, warranties, indemnities or other provisions which by their nature survive termination shall survive the exercise of PG&E's termination rights pursuant to Section 3 of this Agreement.

19. No Waiver. No waiver with respect to any provision of this Agreement shall be effective unless in writing and signed by the party against whom it is asserted. No waiver of any provision of this Agreement by a party shall be construed as a waiver of any subsequent breach or failure of the same term or condition, or as a waiver of any other provision of this Agreement.

20. Captions. The captions in this Agreement are for reference only and shall in no way define or interpret any provision hereof.

21. Counterparts. This Agreement may be executed in identical counterpart copies, each of which shall be an original, but all of which taken together shall constitute one and the same agreement.

22. Recording. Owners hereby consent and agree to the recording by PG&E of this Agreement against the Property. Owners agree to sign any additional documents reasonably required to complete such recording.

23. Ratification of Deed. Except as modified by this Agreement in regard to the Property, all of the terms, conditions and provisions of the Deed shall remain in full force and

effect and are hereby ratified and confirmed. To the extent the terms of the Deed are inconsistent with this Agreement, the terms of this Agreement shall control.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first set forth above.

"PG&E"

"Owners"

PACIFIC GAS AND ELECTRIC COMPANY,
a California corporation

John L. Miller and Beverly L. Miller, Trustees
of The John and Beverly Miller Family Trust
dated April 16, 2004

By: _____
Robert Jones

John L. Miller, Trustee

Its: Manager
Land Management

Beverly L. Miller, Trustee

State of California
County of _____)

On _____, before me, _____,
Here insert name and title of the officer

personally appeared _____

_____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

(Seal)

CAPACITY CLAIMED BY SIGNER

- Individual(s) signing for oneself/themselves
- Corporate Officer(s) of the above named corporation(s)
- Trustee(s) of the above named Trust(s)
- Partner(s) of the above named Partnership(s)
- Attorney(s)-in-Fact of the above named Principal(s)
- Other _____

State of California
County of _____)

On _____, before me, _____,
Here insert name and title of the officer

personally appeared _____

_____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

(Seal)

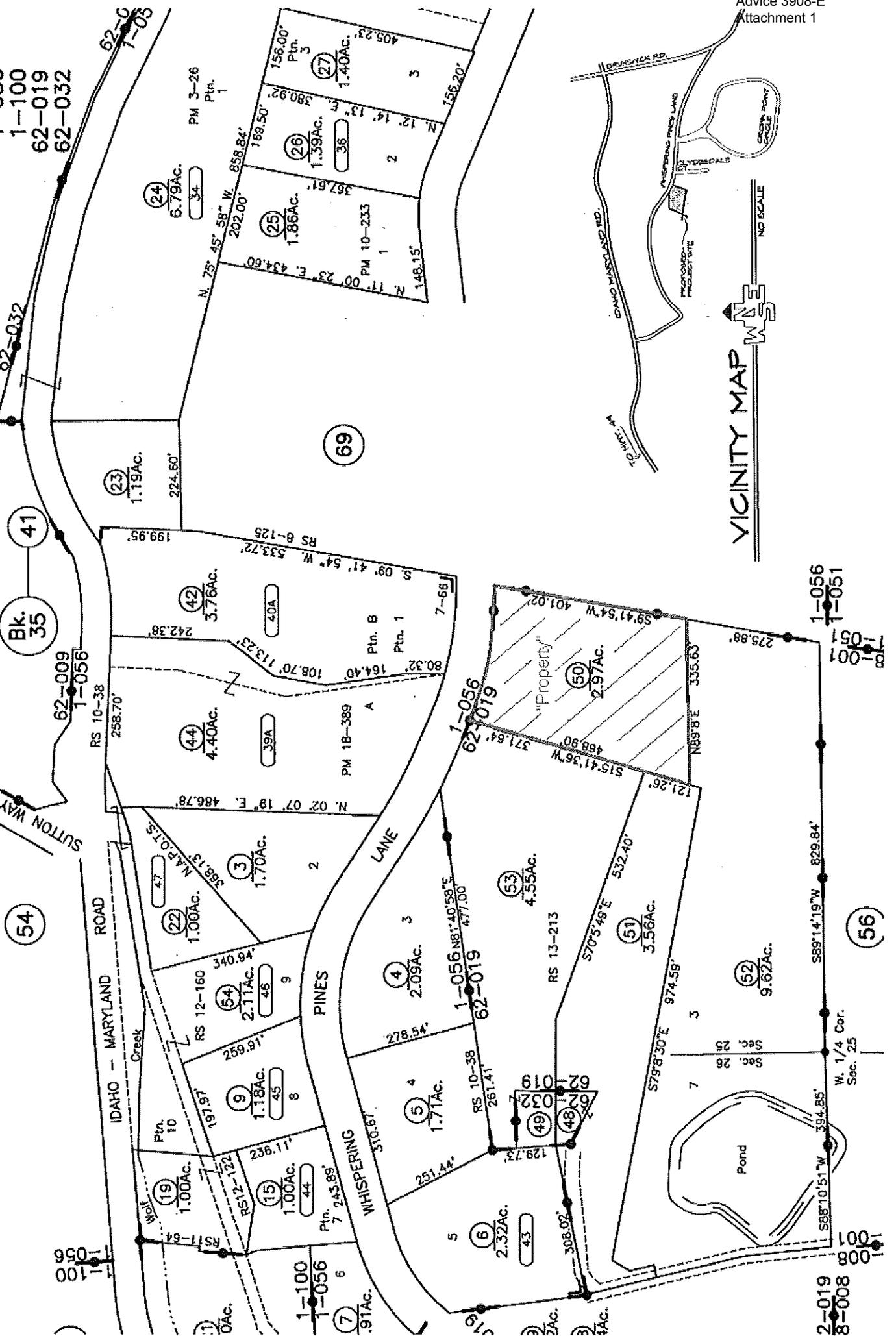
CAPACITY CLAIMED BY SIGNER

- Individual(s) signing for oneself/themselves
- Corporate Officer(s) of the above named corporation(s)
- Trustee(s) of the above named Trust(s)
- Partner(s) of the above named Partnership(s)
- Attorney(s)-in-Fact of the above named Principal(s)
- Other _____

EXHIBIT 'A'

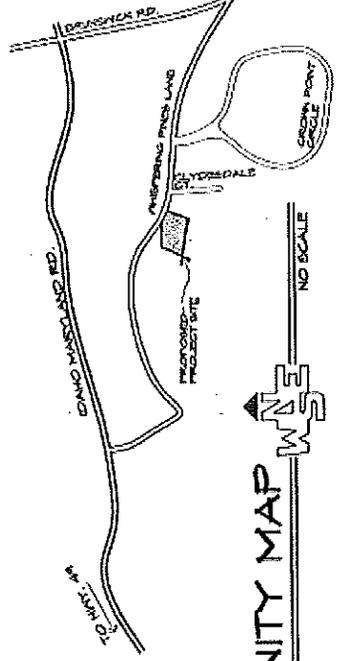
PTN. SEC'S 25 & 26 T. 16 N., R. 8 E., M.D.B. & M.

Tax Area Code
1-056
1-100
62-019
62-032



VICINITY MAP

NO SCALE



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1-056
62-019
62-032

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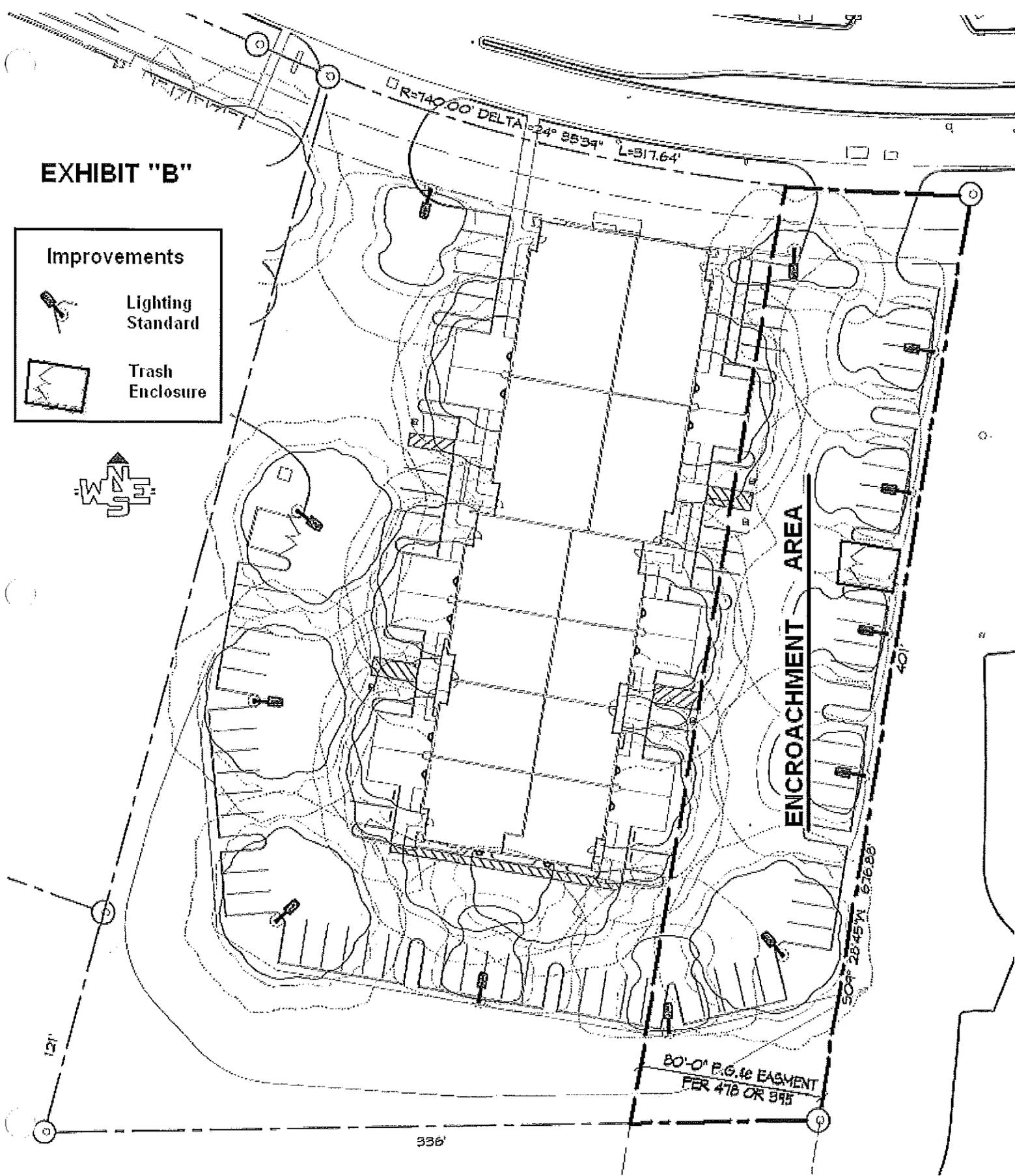
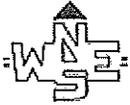
62-019

1-056

EXHIBIT "B"

Improvements

-  Lighting Standard
-  Trash Enclosure



336'

Attachment 2
Grant Deed

6

RECORDING REQUESTED BY

PLACER TITLE COMPANY

Escrow Number: 1501-10288-MS

AND WHEN RECORDED MAIL TO

JOHN AND BEVERLY MILLER
13620 LINCOLN WAY, STE 300
AUBURN, CA 95603



Nevada County Recorder
Gregory J. Diaz
DOC- 2008-0011089-00

Acct 3-Placer Title Company
Monday, MAY 05, 2008 08:00:00
REC \$10.00:SBS \$5.00:MIC \$1.00
AUT \$6.00:
Ttl Pd \$22.00 Nbr-0000545871
ENM/EM/1-6

A.P.N.: 09-680-32 THROUGH 09-680-36

SPACE ABOVE THIS LINE FOR RECORDER'S USE

GRANT DEED

The undersigned grantor(s) declare(s):

Documentary transfer tax is \$0.00 City Transfer Tax: \$0.00 R & T CODE 11930

computed on full value of property conveyed, or

computed on full value less value of liens and encumbrances remaining at time of sale.

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, **JOHN L. MILLER AND BEVERLY L. MILLER, HUSBAND AND WIFE**

Hereby GRANT(S) to **JOHN L. MILLER AND BEVERLY L. MILLER, TRUSTEES OF THE JOHN AND BEVERLY MILLER FAMILY TRUST DATED APRIL 16, 2004**

THE LAND DESCRIBED HEREIN IS SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF NEVADA, UNINCORPORATED AREA, AND IS DESCRIBED AS FOLLOWS:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR FULL LEGAL DESCRIPTION

Dated: April 21, 2008



JOHN L. MILLER



BEVERLY L. MILLER

MAIL TAX STATEMENTS TO PARTY SHOWN ON FOLLOWING LINE; IF NO PARTY SHOWN, MAIL AS DIRECTED ABOVE

SAME AS ABOVE

Name

Street Address

City & State

17.

STATE OF CALIFORNIA
COUNTY OF Nevada

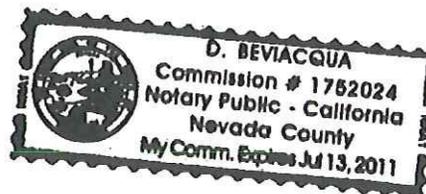
On April 22, 2008 before me, D. Beviacqua, Notary Public, personally
appeared John L. Miller & Beverly L. Miller

_____ who proved to me on the basis of
satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to
me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on
the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and
correct.

WITNESS my hand and official seal.

Signature: [Signature]



MAIL TAX STATEMENTS TO PARTY SHOWN ON FOLLOWING LINE; IF NO PARTY SHOWN, MAIL AS
DIRECTED ABOVE

SAME AS ABOVE

Name

Street Address

City & State

EXHIBIT "A"
LEGAL DESCRIPTION

THE LAND DESCRIBED HEREIN IS SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF NEVADA, UNINCORPORATED AREA, AND IS DESCRIBED AS FOLLOWS:

PARCEL NO. 1:

ALL THAT PORTION OF "SCHOFIELD LODE", BEING LOT 37, LOCATED IN SECTIONS 25 AND 26, TOWNSHIP 16 NORTH, RANGE 8 EAST, M.D.M., AS DESIGNATED BY THE SURVEYOR GENERAL AND MORE PARTICULARLY DESCRIBED AT LENGTH IN PATENT ISSUED OCTOBER 10, 1868, AND RECORDED DECEMBER 28, 1868, IN BOOK 32 OF DEEDS, NEVADA COUNTY RECORDS, AT PAGE 422; IDAHO NO. 1, IDAHO NO. 3, IDAHO 3, IDAHO NO. 5, IDAHO NO. 6, IDAHO NO. 7, IDAHO NO. 11, IDAHO NO. 12, MARYLAND #22, MARYLAND #23, MARYLAND #24, MARYLAND FRACTION, MARYLAND EXTENSION FRACTION, GOLD POINT FRACTION AND GOLD POINT EXTENSION LODE MINING CLAIMS, DESIGNATED BY UNITED STATES SURVEYOR GENERAL FOR THE STATE OF CALIFORNIA, AS SURVEY NO. 5514, EMBRACING A PORTION OF SECTIONS 25 AND 26, TOWNSHIP 16 NORTH, RANGE 8 EAST, OF THE MOUNT DIABLO MERIDIAN, AND MORE PARTICULARLY DESCRIBED AT LENGTH IN THE PATENT ISSUED BY UNITED STATES OF AMERICA TO IDAHO MARYLAND MINES CO., DATED JANUARY 17, 1923, RECORDED IN THE OFFICE OF THE COUNTY RECORDER OF NEVADA COUNTY ON JANUARY 31, 1923, IN BOOK 6 OF PATENTS, AT PAGE 149; THOSE CERTAIN QUARTZ MINES KNOWN AS THE A, B, C AND OK MINES, BEING LOT NOS. 167 AND 168, RESPECTIVELY, EMBRACING A PORTION OF SECTIONS 25 AND 26, TOWNSHIP 16 NORTH, RANGE 8 EAST, M.D.B.&M., AS DESIGNATED ON THE OFFICIAL PLAT BY THE UNITED STATES SURVEYOR GENERAL, AND MORE PARTICULARLY DESCRIBED AT LENGTH IN THE U.S. PATENT DATED MAY 5, 1897, AND RECORDED MAY 6, 1916, IN BOOK 4 OF PATENTS, NEVADA COUNTY, AT PAGE 579 AND OF LOT 3 OF THE NORTHWEST QUARTER OF SECTION 25, TOWNSHIP 16 NORTH, RANGE 8 EAST, M.D.M., ACCORDING TO THE OFFICIAL PLAT THEREOF, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE SOUTHWESTERLY LINE OF EAST BENNETT ROAD NUMBER 32A, FROM WHICH THE SOUTHWEST CORNER OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 25 BEARS SOUTH 89 DEGREES 03 MINUTES WEST 228.82 FEET; THENCE FROM SAID POINT OF BEGINNING, NORTH 89 DEGREES 03 MINUTES EAST 416.72 FEET TO A POINT IN THE WEST LINE OF THE TRACY Q.M.; THENCE NORTH 5 DEGREES 12 MINUTES EAST 431.73 FEET ALONG THE WEST LINE OF THE TRACY Q.M.; THENCE NORTH 9 DEGREES 41 MINUTES 54 SECONDS EAST 1774.83 FEET; THENCE SOUTH 81 DEGREES 41 MINUTES WEST 476.23 FEET; THENCE SOUTH 1605.68 FEET; THENCE NORTH 78 DEGREES 01 MINUTES WEST 332.17 FEET; THENCE NORTH 86 DEGREES 00 MINUTES WEST 24.89 FEET; THENCE SOUTH 24 DEGREES 54 MINUTES EAST 69.27 FEET; THENCE SOUTH 14 DEGREES 56 MINUTES EAST 73.96 FEET; THENCE SOUTH 2 DEGREES 39 MINUTES EAST 120.73 FEET; THENCE SOUTH 79 DEGREES 23 MINUTES WEST 121.99 FEET; THENCE NORTH 70 DEGREES 55 MINUTES WEST 36.73 FEET TO THE POINT IN EAST BENNETT ROAD; THENCE SOUTH 8 DEGREES 53 MINUTES EAST 160.06 FEET TO A POINT IN THE SOUTHWESTERLY LINE OF EAST BENNETT ROAD; THENCE ALONG SAID SOUTHWESTERLY LINE THE FOLLOWING 2 COURSES, SOUTH 39 DEGREES 44 MINUTES EAST 133.53 FEET AND SOUTH 45 DEGREES 20 MINUTES EAST 80.03 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM ALL THE MINERALS, METAL MATTER AND ORES LYING AND BEING MORE THAN 100 FEET BENEATH THE SURFACE OF THE ABOVE DESCRIBED PREMISES, TOGETHER WITH THE RIGHT TO MINE AND EXTRACT THE SAME WITHOUT DISTURBING THE SURFACE OF ANY OF THE ABOVE DESCRIBED PREMISES, AS RESERVED IN THE DEED EXECUTED BY GLADYS M. PERKINS AND EDWIN B. BRUNING AND WENONA E. BRUNING, HIS WIFE, RECORDED MAY 23, 1972, IN BOOK 601, PAGE 169, OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PORTION: COMMENCING AT THE MOST NORTHERLY CORNER OF THE HEREIN DESCRIBED PARCEL, A 1" PIPE FOUND BEARING TAG

L.S: 2202 FROM WHICH THE SOUTHWEST CORNER OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 25 BEARS THE FOLLOWING THREE SUCCESSIVE COURSES, TO-WIT: SOUTH 09 DEGREES 41 MINUTES 54 SECONDS WEST 1774.83 FEET, SOUTH 05 DEGREES 12 MINUTES WEST 431.73 FEET, SOUTH 89 DEGREES 03 MINUTES WEST 645.54 FEET; SAID POINT OF COMMENCEMENT BEING IDENTICAL TO THE SOUTHEAST CORNER OF THAT CERTAIN 24.301-ACRE PARCEL DELINEATED ON THAT CERTAIN PARCEL MAP RECORDED IN BOOK 9 OF PARCEL MAPS AT PAGE 108, ON MAY 9, 1975, IN THE OFFICE OF THE NEVADA COUNTY RECORDER; THENCE FROM SAID POINT OF COMMENCEMENT SOUTH 09 DEGREES 41 MINUTES 54 SECONDS WEST 168.95 FEET TO A POINT ON A CURVE CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 730.00 FEET; THENCE ALONG SAID CURVE THROUGH AN ARC OF 24 DEGREES 49 MINUTES 55 SECONDS FOR A DISTANCE OF 316.38 FEET TO THE END THEREOF; THENCE NORTH 65 DEGREES 53 MINUTES WEST 99.22 FEET TO A POINT ON THE NORTHERLY LINE OF THE AFOREDESCRIBED PARCEL; THENCE ALONG SAID NORTHERLY LINE NORTH 81 DEGREES 41 MINUTES EAST 430.94 FEET TO THE POINT OF COMMENCEMENT.

ALSO EXCEPTING THEREFROM ALL THAT PORTION OF THE NORTHWEST QUARTER OF SECTION 25, TOWNSHIP 16 NORTH, RANGE 8 EAST, M.D.M., NEVADA COUNTY, CALIFORNIA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE HEREIN DESCRIBED PARCEL, AT A POINT ON THE EASTERLY LINE OF THAT CERTAIN PARCEL OF LAND DESCRIBED WITHIN NEVADA COUNTY DOCUMENT NO. 84-26261, FROM WHICH THE NORTHWEST CORNER OF SAID SECTION 25 BEARS NORTH 27 DEGREES 45 MINUTES 30 SECONDS WEST 2164.47 FEET; THENCE FROM SAID POINT OF COMMENCEMENT SOUTH 09 DEGREES 41 MINUTES 54 SECONDS WEST ALONG SAID EASTERLY LINE 10.16 FEET TO A POINT ON A CURVE CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 740.00 FEET; THENCE ALONG SAID CURVE IN A WESTERLY DIRECTION THROUGH AN ARC OF 24 DEGREES 35 MINUTES 39 SECONDS FOR A DISTANCE OF 317.64 FEET TO THE END THEREOF; THENCE NORTH 65 DEGREES 53 MINUTES WEST 80.23 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT HAVING A RADIUS OF 940.00 FEET; THENCE ALONG SAID CURVE THROUGH AN ARC OF 2 DEGREES 07 MINUTES 51 SECONDS FOR A DISTANCE OF 34.96 FEET TO THE END THEREOF; THENCE NORTH 81 DEGREES 41 MINUTES EAST 17.43 FEET; THENCE SOUTH 65 DEGREES 53 MINUTES EAST 100.47 FEET TO THE BEGINNING OF A CURVE TO THE LEFT HAVING A RADIUS OF 730.00 FEET; THENCE ALONG SAID CURVE THROUGH AN ARC OF 24 DEGREES 44 MINUTES 06 SECONDS FOR A DISTANCE OF 315.15 FEET TO THE POINT OF COMMENCEMENT, BEING THE SAME AS OFFERED TO THE CITY OF GRASS VALLEY RECORDED MAY 15, 1986, DOCUMENT NO. 86-11651, OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM THAT PORTION IN THE SOUTH 1/2 OF SAID SECTION 25, TOWNSHIP 16 NORTH, RANGE 8 EAST, M.D.M.

APNS: 09-680-29 THROUGH 09-680-31

PARCEL NO. 2:

PORTIONS OF THE FOLLOWING MINING CLAIMS AND GOVERNMENT SECTION SUBDIVISIONS, (PATENTED): SURVEY NO. 5357 GLOBE, LOT NO. 4218, BLACK HAWK EXTENSION, LOT 167 ABC, LOT 168 OK, LOT 4217 GAMBLERS, SURVEY NO. 5514 IDAHO NOS. 1, 2, 3, 6, 7, 12 OF GOLD POINT EXTENSION, LOT 37 SCHOFIELD; AND PORTIONS OF LOT 7, OF THE NORTHEAST QUARTER OF SECTION 26, THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 26, THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 26 AND LOT 3 OF THE NORTHWEST QUARTER OF SECTION 25, ALL IN TOWNSHIP 16 NORTH, RANGE 8 EAST.

ALL BEING SITUATE WITHIN THE NORTHEAST QUARTER OF SECTION 26 AND THE SOUTHEAST QUARTER OF SECTION 26, AND THE NORTHWEST QUARTER OF SECTION 25 AND THE SOUTHWEST

QUARTER OF SECTION 25, TOWNSHIP 16 NORTH, RANGE 8 EAST, M.D.M., AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS, TO-WIT:

BEGINNING AT A POINT ON A SOUTHEASTERLY LINE OF THAT CERTAIN COUNTY ROAD KNOWN AS THE UNION HILL ROAD, FROM WHICH THE SOUTHEAST CORNER OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 26, TOWNSHIP AND RANGE AFORESAID, BEARS SOUTH 48 DEGREES 52 MINUTES EAST 468.28 FEET DISTANT; THENCE FROM SAID POINT OF COMMENCEMENT WITH TRUE BEARINGS, NORTH 73 DEGREES 18 MINUTES 30 SECONDS WEST 132.23 FEET TO A STEEL DRILL; THENCE SOUTH 46 DEGREES 59 MINUTES 31 SECONDS WEST 132.43 FEET TO A STEEL DRILL; THENCE SOUTH 70 DEGREES 12 MINUTES WEST 130.25 FEET TO A STEEL DRILL; THENCE NORTH 84 DEGREES 21 MINUTES WEST 259.65 FEET TO A STEEL DRILL; THENCE NORTH 75 DEGREES 52 MINUTES WEST 286.64 FEET TO A STEEL DRILL; THENCE NORTH 72 DEGREES 19 MINUTES WEST 294.00 FEET TO A STEEL DRILL; NORTH 64 DEGREES 31 MINUTES WEST 303.87 FEET TO A STEEL DRILL; THENCE NORTH 77 DEGREES 48 MINUTES 41 SECONDS WEST 177.26 FEET TO A STEEL DRILL; THENCE NORTH 12 DEGREES 48 MINUTES EAST 609.91 FEET TO A STEEL DRILL; THENCE SOUTH 77 DEGREES 24 MINUTES 41 SECONDS EAST 1289.15 FEET TO A STEEL DRILL; THENCE NORTH 39 DEGREES 14 MINUTES EAST 325.43 FEET TO A STEEL DRILL IN THE CENTERLINE OF A PRIVATE ROAD; THENCE NORTH 6 DEGREES 10 MINUTES WEST 376.53 FEET TO A STEEL DRILL IN THE CENTERLINE OF THE SAID PRIVATE ROAD; THENCE NORTH 13 DEGREES 36 MINUTES WEST 332.70 FEET TO A STEEL DRILL IN THE CENTERLINE OF SAID PRIVATE ROAD; THENCE LEAVING SAID PRIVATE ROAD AND RUNNING NORTH 78 DEGREES 30 MINUTES EAST 308.76 FEET TO A STEEL DRILL; THENCE NORTH 4 DEGREES 38 MINUTES WEST 129.73 FEET TO A STEEL DRILL; THENCE NORTH 81 DEGREES 41 MINUTES EAST 710.28 FEET TO A STEEL DRILL; THENCE SOUTH 1605.68 FEET TO A POINT ON A SOUTHWESTERLY LINE OF THE OK LODGE; THENCE ALONG SAID LINES THE FOLLOWING TWO SUCCESSIVE COURSES AND DISTANCES, TO-WIT: NORTH 78 DEGREES 01 MINUTES WEST 332.17 FEET AND NORTH 86 DEGREES 00 MINUTES 24.89 FEET; THENCE LEAVING SAID LINE AND RUNNING SOUTH 24 DEGREES 54 MINUTES EAST 69.27 FEET; THENCE SOUTH 14 DEGREES 56 MINUTES EAST 73.96 FEET TO A ONE-HALF INCH IRON PIPE; THENCE SOUTH 2 DEGREES 39 MINUTES EAST 120.73 FEET; THENCE SOUTH 79 DEGREES 23 MINUTES WEST 121.99 FEET; THENCE NORTH 70 DEGREES 55 MINUTES WEST 61.05 FEET TO A POINT ON A SOUTHWESTERLY LINE OF THE SAID COUNTY ROAD KNOWN AS THE UNION HILL ROAD; THENCE ALONG THE SOUTHWESTERLY AND SOUTHEASTERLY LINES THEREOF THE FOLLOWING SUCCESSIVE COURSES AND DISTANCES, TO-WIT: NORTH 16 DEGREES 01 MINUTES WEST 178.42 FEET, NORTH 56 DEGREES 11 MINUTES WEST 114.84 FEET, NORTH 84 DEGREES 24 MINUTES WEST 84.12 FEET, SOUTH 75 DEGREES 30 MINUTES WEST 51.87 FEET, SOUTH 39 DEGREES 56 MINUTES WEST 152.21 FEET, SOUTH 13 DEGREES 29 MINUTES WEST 76.10 FEET, AND SOUTH 2 DEGREES 21 MINUTES EAST 60.77 FEET TO THE PLACE OF BEGINNING.

EXCEPTING THEREFROM ANY PORTION OF THE ABOVE DESCRIBED PREMISES LOCATED WITHIN THE EXTERIOR BOUNDARIES OF SAID SURVEY NO. 5357 GLOBE LODGE MINING CLAIM, AS THE SAME IS DESCRIBED IN THE PATENT DATED JANUARY 11, 1950, RECORDED JANUARY 27, 1950, IN BOOK 146, OFFICIAL RECORDS, AT PAGE 389, EXECUTED BY UNITED STATES OF AMERICA TO EMPIRE STAR MINES COMPANY, LIMITED, REFERENCE BEING HEREBY MADE TO THE RECORD OF SAID PATENT FOR A COMPLETE DESCRIPTION OF SAID GLOBE CLAIM.

ALSO EXCEPTING THEREFROM ALL MINERALS, METAL MATTER AND ORES LYING AND BEING MORE THAN 100 FEET FROM THE SURFACE OF THE ABOVE DESCRIBED PROPERTY, TOGETHER WITH THE RIGHT TO MINE AND EXTRACT THE SAME WITHOUT DISTURBING THE SURFACE OF SAID PREMISES, AS CONVEYED BY THE DEED DATED OCTOBER 17, 1957, RECORDED OCTOBER 22, 1957, IN BOOK 238 OF OFFICIAL RECORDS, AT PAGE 209, EXECUTED BY IDAHO MARYLAND MINES CORPORATION, A CORPORATION, TO GLADYS M. PERKINS, A WIDOW, AND EDWIN H. BRUNING AND WENONA E. BRUNING, HIS WIFE.

ALSO EXCEPTING THEREFROM THOSE PORTIONS SITUATED IN THE SOUTH 1/2 OF SECTIONS 25 AND 26, TOWNSHIP 16 NORTH, RANGE 8 EAST, M.D.M.

APNS: 09-680-32 THROUGH 09-680-36

THE ABOVE PARCELS ARE COVERED BY THOSE CERTAIN CONDITIONAL CERTIFICATES OF COMPLIANCE RECORDED JUNE 29, 1992, SERIES NOS. 92-22638, 92-22639, 92-22640, 92-22641, 92-22642, 92-22643 AND 92-22644, OFFICIAL RECORDS.

TOGETHER WITH, AS APPLICABLE THERETO, THOSE CERTAIN RESPECTIVE RIGHTS OF WAY FOR INGRESS, EGRESS AND UTILITY PURPOSES AND FOR ROADWAY PURPOSES, AS SET FORTH AND DESCRIBED IN THE GRANT DEED RECORDED APRIL 12, 2004, SERIES NO. 2004-0013618, OFFICIAL RECORDS, IN FAVOR OF MILCO-IMMC JOINT VENTURE #1.

Attachment 3
PG&E Easement

SINGLE LINE OF TOWERS
61-9817 REV. 6-62 2M

AFTER RECORDING
RETURN TO:

FOR RECORDER'S USE ONLY

2116-08-1283

6602

PACIFIC GAS AND ELECTRIC COMPANY

345 Market Street
San Francisco, California 94106
Attn: Title Administration Unit

VOL. 478 Page 395

OFFICIAL RECORDS
RECORDED AT REQUEST OF
PACIFIC GAS & ELECTRIC CO.

10 JUN 25 1969
AT 10 MIN. PAST 9 O'CLOCK A.M.
NEVADA COUNTY, CALIFORNIA

FEE: 360
This is \$115 for
RECORDER

Recording Fee 360

Documentary Stamps 550

Location: City/Uninc
Noel F. Raphael

TRANS TAX PD

COMPARED & INDEXED

6602

Original 115 KV Tap
Consideration \$5,000.00

EDWIN H. BRUNING and WENONA E. BRUNING, husband and wife, and GLADYS M. PERKINS,

hereinafter called first party, in consideration of value adequate therefor paid by PACIFIC GAS AND ELECTRIC COMPANY, a California corporation, hereinafter called second party, the receipt whereof is hereby acknowledged, hereby grants to second party the right to erect, construct, reconstruct, replace, remove, maintain and use a line of towers with such wires and cables as second party shall from time to time suspend therefrom for the transmission of electric energy, and for communication purposes, and all necessary and proper foundations, footings, crossarms and other appliances and fixtures for use in connection with said towers, wires and cables, together with a right of way, on, along and in all of the hereinafter described strip of those certain lands which are situate in the County of Nevada, State of California, and are described as follows:

The 12.324 acre parcel of land, situate in Section 25, Township 16 North, Range 8 East, M.D.B. & M., described in the deed from G.P.B. Salvage Company to Edwin H. Bruning and others dated February 21, 1961 and recorded in the office of the County Recorder of said County of Nevada in Book 292 of Official Records at page 584 and the 6.23 acre parcel of land, situate in said Section 25, described in the deed from Marie Knight and others to Edwin H. Bruning and others dated October 11, 1956 and recorded in the office of said County Recorder in Book 225 of Official Records at page 421.

The aforesaid strip is described as follows:

A strip of land of the uniform width of 80 feet lying contiguous to and westerly of the easterly boundary line of the 6.23 acre parcel of land described in the deed from Marie Knight and others to Edwin H. Bruning and others dated October 11, 1956 and recorded in the office of the County Recorder of said County of Nevada in Book 225 of Official Records at page 421 and the easterly boundary line of the 12.324 acre parcel of land described in the deed from G.P.B. Salvage Company to Edwin H. Bruning and others dated February 21, 1961 and recorded in the office of said County Recorder in Book 292 of Official Records at page 584 and extending from the southerly boundary line of said 6.23 acre parcel of land northerly 2192 feet, more or less, to the northerly boundary line of said 12.324 acre parcel of land.

VOL. 478 PAGE 395

First party, for the consideration aforesaid, further grants to second party, the right of ingress to and egress from said strip over and across said lands by means of roads and lanes thereon, if such there be, otherwise by such route or routes as shall occasion the least practicable damage and inconvenience to first party, provided, that such right of ingress and egress shall not extend to any portion of said lands which is isolated from said strip by any public road or highway, now crossing or hereafter crossing said lands.

First party shall have the right to use said strip for purposes not inconsistent with second party's full enjoyment of the rights hereby granted, provided that first party shall not erect or construct any building or other structure, or drill or operate any well, within said strip.

Second party shall have the further right to install, maintain and use gates in all fences which now cross or shall hereafter cross said strip.

Second party shall also have the right from time to time to trim and to cut down and clear away any and all trees and brush now or hereafter on said strip and shall have the further right from time to time to trim and to cut down and clear away any trees on either side of said strip which now or hereafter in the opinion of second party may be a hazard to said towers, wires or cables, by reason of the danger of falling thereon, provided, however, that all trees which second party is hereby authorized to cut and remove, if valuable for timber or wood, shall continue to be the property of first party, but all tops, lops, brush and refuse wood shall be burned or removed by second party.

Second party shall also have the right to mark the location of said strip by suitable markers set in the ground or on said towers, but said markers when set in the ground shall be placed in fences or other locations which will not interfere with any reasonable use first party shall make of said strip.

Second party shall repair any damage it shall do to first party's private roads or lanes on said lands, and shall indemnify first party against any loss and damage which shall be caused by the exercise of said ingress and egress, or by any wrongful or negligent act or omission of second party or of its agents or employees in the course of their employment.

The provisions hereof shall inure to the benefit of and bind the successors and assigns of the respective parties hereto.

IN WITNESS WHEREOF first party has executed these presents this 15th day of

MAY, 1969

Bludys M Perkins
Edward H. Bruning
Wenora E. Bruning

Executed in the presence of

[Signature]
Witness

I VOL 478 PAGE 396

FOR NOTARY'S USE ONLY

Drum
GM 169598
Dwg: 217249
T.16N., R.8E.
M.D.B. & M.
Section 25
SW 1/4 of NW 1/4
NW 1/4 of SW 1/4
68-264
aj

Prepared [Signature]
Checked [Signature]
MAY -2 '69

02-4209 2-68 (WITNESS)

STATE OF CALIFORNIA

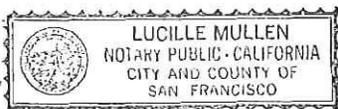
City and County of San Francisco ss.

On this 5th day of June, 1969, before me, Lucille Mullen,
a Notary Public in and for the said San Francisco City and San Francisco County, duly commissioned and sworn, personally appeared
Jerry R. Orrick known to me to be the same person whose name is subscribed to the within
instrument, as a witness thereto, who, being duly sworn, deposed and said that he resides in the San Francisco County of
Butte, State of California, that he was present and saw

397
398
478
479

Edwin H. Bruning, Wenona E. Bruning and Gladys M. Perkins

(personally known to him to be the person described in and who executed the said instrument,
as part ies thereto), sign and execute the same, and that, at their
request, he, the said affiant, thereupon subscribed his name as a witness thereto.



IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in
the said San Francisco City and San Francisco County of San Francisco
the day and year in this certificate first above written.

Lucille Mullen
Lucille Mullen

6602

Notary Public in and for the San Francisco City and San Francisco County of San Francisco, State of California
My Commission Expires January 23, 1971

Attachment 4
**Nevada County Planning Commission Staff Report,
Mitigated Negative Declaration, and Addendum and
Maps**



City of Grass Valley City Council and Redevelopment Agency Agenda Action Sheet

Council Meeting Date: June 28, 2011 **Date Prepared:** June 14, 2011

Prepared by: Joe C. Heckel, Community Development Director *JCH*
Barb Carman, Planning Technician *BC*

Title: Consider recommendation from Planning Commission to approve applications for Annexation (10PLN-19), Rezoning (10PLN-21), General Plan Amendment (10PLN-20), and Development Review (10DRC-19) for Milco Project located south of Whispering Pines Lane, west of Cambridge Court (APN's 09-680-49, 40 and 53).

Agenda: Public Hearing

Recommended Motion: After conducting the public hearing: 1) waive the reading of the ordinance in its entirety and read by title only, 2) introduce ordinance rezoning 7.73 acres to M-1, and 3) adopt resolution No. 2011-51 approving the Annexation, General Plan Amendment and Development Review applications, and adopting the Mitigated Negative Declaration pursuant to the provisions of the California Environmental Quality Act (CEQA).

Background: On May 17, 2011, the Planning Commission recommended, by a unanimous 5-0 vote, the City Council approve the Milco Development project. The attached Planning Commission report provides a more detailed description of the project, background, and the environmental review. The project consists of the following four applications:

1. An annexation of 7.73 acres into the City and Nevada Irrigation Water District,
2. A rezoning of the entire 7.73 acres from the County's BP zoning district to the City's M-1 (Light Industrial) zoning district,
3. A general plan amendment for modification of the General Plan designation from BP (Business Park) to M-1 (Light Industrial), and
4. Development Review Application for site development and construction of three, single story buildings totaling 57,315 square feet.

The Planning Commission determined all the project's environmental impacts will be mitigated, and the project is consistent with the City's 2020 General Plan, Sphere of Influence Plan, Development Code, and Design Guidelines.

Funds Available: N/A **Account #:** N/A

Route to be Reviewed by: _____ City Administrator

Action:

_____	Approved	_____	Approved with Modifications
_____	Denied	_____	Other



**City of Grass Valley
City Council and Redevelopment Agency
Agenda Action Sheet**

Attachments:

- 1) Ordinance
- 2) Resolution
- 3) May 17, 2011 Staff Report to Planning Commission
- 4) Mitigated Negative Declaration and Addendum
- 5) Maps / Exhibits from Applicant.

cc: Applicant
SR Jones, Nevada County LAFCO –
Jory Stewart, Nevada County Planning -
Nevada Irrigation District –
Nevada County Consolidated Fire District

Attachment 1

ORDINANCE NUMBER ____ N. S.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GRASS VALLEY APPROVING A ZONING MAP AMENDMENT PREZONING 7.73 ACRES TO M-1 (LIGHT INDUSTRIAL) FOR ASSESSOR'S PARCEL NUMBERS 09-680-49, 50 AND 53.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GRASS VALLEY AS FOLLOWS:

SECTION 1. That the City of Grass Valley Zoning Map is hereby amended as shown in Exhibit "A".

SECTION 2. In compliance with Chapter 17.94 of the Grass Development Code, the City Council adopts the following findings in support of this amendment to the Zoning Map:

1. The proposed amendment to Prezone to M-1 will be consistent with the General Plan Amendment. *Rationale: The proposed M-1 zoning is the consistent with the adjoining zoning designation to the south and is not considered part of the Whispering Pines Specific Plan. The zoning designation of M-1 would also be consistent with the General Plan designation for the 7.73 acre site.*
2. The proposed amendment would not be detrimental to the public interest, health, safety, convenience, or welfare of the City. *Rationale: The proposed prezoning is the appropriate zoning to implement the City's General Plan. As demonstrated in the public record for the entire project, the proposal will not be detrimental to the public interest, health, safety, convenience, or welfare of the City.*
3. The affected site is physically suitable in terms of design, location, shape, size, operating characteristics, and the provision of public and emergency vehicle (e.g., fire and medical) access and public services and utilities (e.g., fire protection, police protection, potable water, schools, solid waste collection and disposal, storm drainage, wastewater collection, treatment, and disposal, etc.), to ensure that the proposed or anticipated uses and/or development would not endanger, jeopardize, or otherwise constitute a hazard to the property or improvements in the vicinity in which the property is located. *Rationale: The project site is planned to have access to full public services, and is designed to comply with all applicable public service standards. The proposed project is designed to avoid sensitive resources and constraints on the property, and will not create a hazard to the property or adjacent properties.*

SECTION 3. The City Council amends the Zoning Map as shown in Exhibit "A" through the approval of this ordinance.

SECTION 4. This ordinance shall take effect thirty (30) days from and after the date of its adoption and a summary of said ordinance shall be published once within fifteen (15) days upon its passage and adoption in The Union, a newspaper of general circulation printed and published in the Grass Valley Area.

INTRODUCED and first read on the 28th day of June, 2011

PASSED AND ADOPTED this 12th day of July, 2011, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

/s/

Jan Arbuckle, Mayor

ATTEST:

/s/

Kristi K. Bashor, City Clerk

APPROVED AS TO FORM:

/s/

Ruthann G. Ziegler, City Attorney

PUBLISH DATE: _____

Attachment 2

RESOLUTION NO. 2011- 51

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRASS VALLEY: 1) ADOPTING THE MITIGATED NEGATIVE DECLARATION; 2) APPROVING ANNEXATION 10PLN-19, GENERAL AMENDMENT 10PLN-21, PREZONE 10PLN-20, AND DEVELOPMENT REVIEW APPLICATION 10DRC-19; AND, 3) APPROVING A RESOLUTION OF APPLICATION REQUESTING THE NEVADA COUNTY LOCAL AGENCY FORMATION COMMISSION CONDUCT PROCEEDINGS FOR THE ANNEXATION APPLICATION FOR THE MILCO PROJECT LOCATED SOUTHWEST OF THE CITY LIMITS, APN'S 09-680-49, 50 AND 53.

WHEREAS, John Miller, Milco Development, submitted the following application packet: 1) Annexation Application 10PLN-19 to annex the 7.73 acre Milco Project site; 2) General Plan Amendment 10PLN-21 to amend the General Plan designation from BP (Business Park) to M-I (Light Industrial); 3) Prezone Application 10PLN-20 to Prezone the Milco Development property to the (M-1) Light Industrial Zoning District and;, and 4) Development Review Application 10DRC-19, and

WHEREAS, the properties are contiguous to the existing City boundaries;
and

WHEREAS, the properties are located within the recently adopted Grass Valley Sphere of Influence "Near-Term Planning Horizon", and

WHEREAS, the proposed annexation is consistent with the City's Sphere of Influence Plan, and

WHEREAS, the City of Grass Valley desires to initiate proceedings pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, commencing with Section 56000 of the California Government Code, for annexation of the project area, and

WHEREAS, it is the City's desire that the proposed annexation be subject to the following terms and conditions:

1. That this annexation is subject to the terms of the MASTER TAX EXCHANGE AGREEMENT, entered into by the City Council and Board of Supervisors on October 9, 2001.

2. That the area to be annexed to the City be detached from Nevada County Consolidated Fire District.

3. That the area to be annexed to the City also be annexed into the Nevada Irrigation Water Service District.

4. That the parcels to be annexed to the City shall be subject to the levying or fixing and collection of any previously authorized taxes, benefit assessments, fees or charges of the City.

WHEREAS, as noted in the May 17, 2011, Staff Report to the Planning Commission and Attachment (Initial Study and Mitigated Negative) of said report, the proposed General Plan Amendment to change the land use to M-I as shown in Exhibit "A" is consistent with the goals, objectives, and policies established in the 2020 General Plan, and

WHEREAS, Section 1.08.010 of the Grass Valley Municipal Code requires all proposed annexations to the City to be prezoned or preplanned by the Planning Commission prior to City Council authorizing submittal of an application to the Local Agency Formation Commission, and

WHEREAS, the proposed prezone of the Milco Project site to the M-1 Light Industrial Zoning Designation is appropriate and consistent with the City's General Plan, and

WHEREAS, the City completed the Initial Study in compliance with the California Environmental Quality Act and concluded that the project may have potentially significant impacts on the environment. Mitigation measures are included in the project to fully mitigate all potentially significant impacts on the environment. The City circulated the proposed Mitigated Negative Declaration for public review from March 2, 2011 to April 1, 2011 and has not received any comments or substantial evidence that the project will have a significant effect on the environment; and

WHEREAS, upon conclusion of the public review period, the City prepared an Addendum to clarify and make insignificant modifications and determined the changes will not lead to any new potential impacts to the environment; and

WHEREAS, the City Council has independently reviewed, analyzed and considered the proposed Mitigated Negative Declaration prior to making its decision on this project, and the Mitigated Negative Declaration reflects the independent judgment of the City of Grass Valley.

WHEREAS, on April 26, 2011, the Development Review Committee reviewed the project and recommended approval by the Planning Commission for the Milco Development Project, and

WHEREAS, on May 17, 2011, the Planning Commission conducted a duly noticed public hearing on the General Plan Amendment, Annexation, Prezone and

Development Review applications and recommended adoption of the Mitigated Negative Declaration, and

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Grass Valley does hereby adopt the Mitigated Negative Declaration and approve Annexation 10PLN-19, General Amendment 10PLN-21, Prezone 10PLN-20, and Development Review 10DRC-19 applications subject to the findings and conditions in Exhibit "B", and

BE IT FURTHER RESOLVED that the City Council does hereby adopt the mitigation measures and reporting program listed in Exhibit "C" and these mitigation measure be included as conditions of approval for the Milco Development project and be made a part of this approving action.

BE IT FURTHER RESOLVED that the City Council of the City of Grass Valley affirms as follows:

1. That the foregoing statements are true and correct.
2. That this Resolution of Application is hereby adopted and approved by the City Council of the City of Grass Valley, and the Local Agency Formation Commission of Nevada County is hereby requested to take proceedings for the annexation of the territory, according to the terms and conditions stated above and in the manner provided by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.
3. That the City Clerk shall file a certified copy of this resolution with the Executive Officer of LAFCO pursuant to Section 56802 of the Government Code.
4. That the conditions of approval attached as Exhibit "B" for this project will become effective upon the annexation of this property to the City of Grass Valley.

ADOPTED as a Resolution of the City Council of the City of Grass Valley at a meeting on June 28, 2011.

RESOLUTION NO. 2011- 51

AYES in favor of:

NOES:

ABSENT:

ABSTAIN:

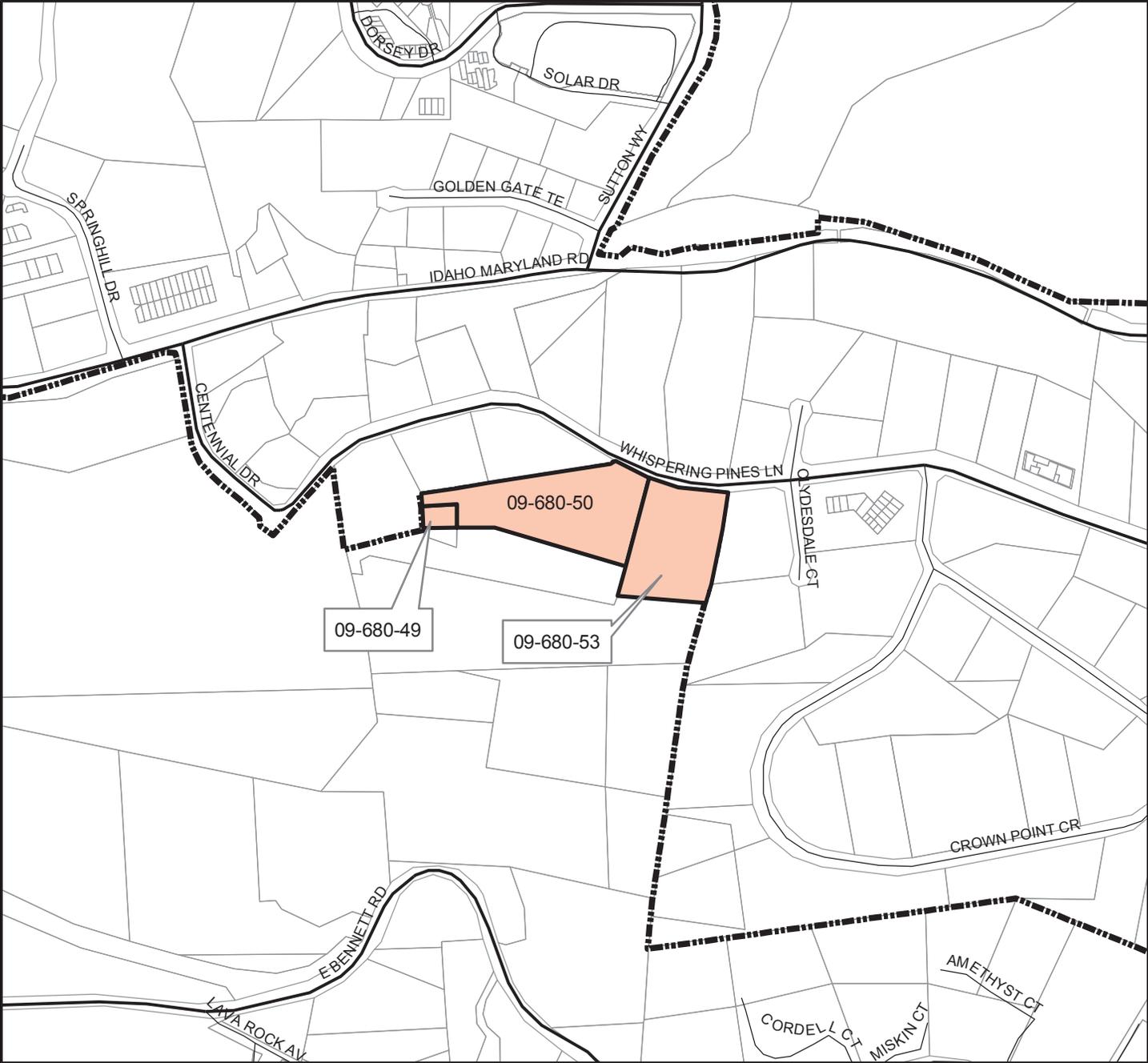
Jan Arbuckle, MAYOR

ATTEST: _____
Kristi K. Bashor, CITY CLERK

APPROVED AS TO FORM:

/s/ _____
Ruthann G. Ziegler, City Attorney

City of Grass Valley - Zoning Amendment Application



Legend

-  Zoning change to M-1
-  Grass Valley City Limit

0 250 500 Feet

**City of Grass Valley
Zoning Amendment Application
June 20, 2011**

Parcels:
09-680-49
09-680-50
09-680-53

Prezone to M-1 (Light Industrial)

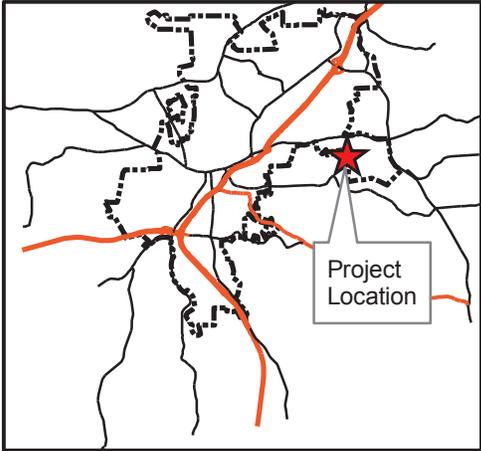
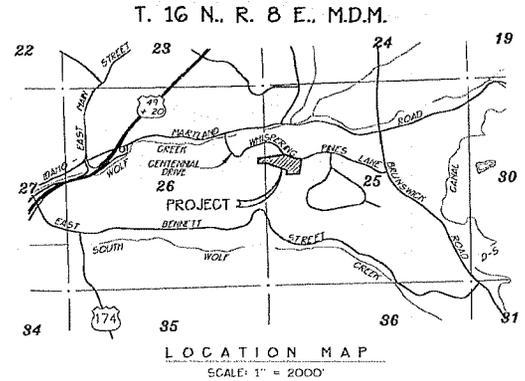
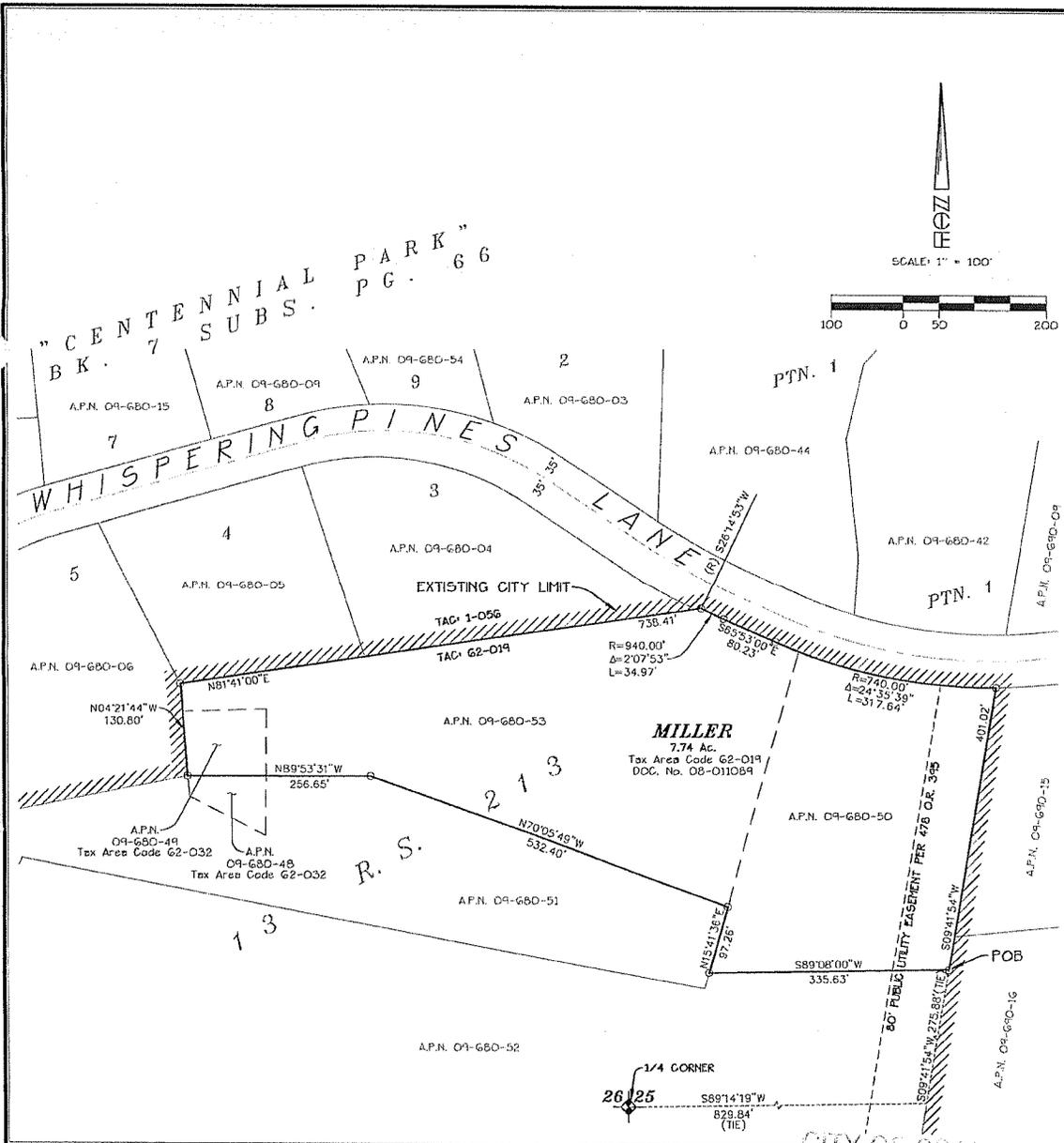


Exhibit "A"



LAFCO EXECUTIVE OFFICER'S STATEMENT
Approved by Nevada County Local Agency Formation Commission.
Resolution No.: _____
Date: _____

This map, when recorded, was accompanied by a Certificate of Completion prepared pursuant to Sections 57200-57202 of the Government Code, to which was attached a certified copy of the boundary description of the territory shown on said map. The Certificate of Completion is recorded as Document No. _____, Nevada County Records.

S.R. Jones

COUNTY RECORDER'S STATEMENT
Filed this _____ day of _____, 2010 at _____ M. in Book _____ of Surveys at Page _____ at the request of S.R. Jones.

Document No.: _____
Fee Paid: _____
by: _____ Deputy
GREGORY J. DIAZ
Clerk Recorder

SURVEYOR'S STATEMENT
This map was prepared by me or under my direction in July 2010.

Andrew R. Cassano L.S. 4370
Registration Expires 9-30-11



ANNEXATION TO THE CITY OF GRASS VALLEY
FOR
JOHN MILLER, ET. UX.
WITH A PORTION OF
N.E. 1/4 SECTION 26 + N.W. 1/4 SECTION 25
TOWNSHIP 16 NORTH, RANGE 8 EAST, M.D.M.
WITHIN THE UNINCORPORATED TERRITORY OF
NEVADA COUNTY, CALIFORNIA
SCALE: 1" = 50'
JULY 2010
NEVADA CITY ENGINEERING, INC.
505 COYOTE STREET • P.O. BOX 1437 • NEVADA CITY • CALIFORNIA

CITY OF GRASS VALLEY
PLANNING DIVISION
SEP 13 2010

Exhibit "B"

Findings of Approval- Milco Development

1. The City received the application packet for the Milco Project on July 21, 2010. After the City determined the applications were incomplete, the City received additional information and the project was deemed complete on December 28, 2010.
2. The City completed the Initial Study in compliance with the California Environmental Quality Act and concluded that the project may have potentially significant impacts on the environment. Mitigation measures were incorporated into the project to fully mitigate all potentially significant impacts on the environment. The City circulated the proposed Mitigated Negative Declaration for public review (from March 2, 2011 to April 1, 2011) and received comments from the Northern Sierra Air Quality Management District and Nevada Irrigation District.
3. Since the conclusion of the public review period for the proposed Negative Declaration, the City prepared an Addendum to clarify and make insignificant modifications and determined the changes will not lead to any new potential impacts to the environment.
4. The City Council has independently reviewed, analyzed and considered the proposed Mitigated Negative Declaration prior to making its decision on this project, and the Mitigated Negative Declaration reflects the independent judgment of the City of Grass Valley.
5. The Grass Valley Development Review Committee reviewed Development Review Application 10DRC-19, Annexation 10PLN-19, Prezone 10PLN-20, and General Plan Amendment 10PLN-21 at its meeting of April 26, 2011.
6. The Grass Valley Planning Commission reviewed Development Review Application 10DRC-19, Annexation 10PLN-19, Prezone 10PLN-20, and General Plan Amendment 10PLN-21 at its meeting of May 17, 2011.
7. The Grass Valley City Council reviewed Development Review Application 10DRC-19, Annexation 10PLN-19, Prezone 10PLN-20, and General Plan Amendment 10PLN-21 at its meeting of June 28, 2011.
8. The proposed amendment to the City's General Plan is consistent with the surrounding land uses.
9. The project will require Annexation into the City of Grass Valley and Nevada Irrigation District Water Service Area.
10. The proposed Zoning designation of M-1 will be consistent with the adjoining properties within the Whispering Pines area.
11. The project, as conditioned, is consistent with the applicable sections and development standards in the Grass Valley Development Code.

12. The project complies with the general principles listed in the Community Design Guidelines and the goals and policies in the Community Design Element.
13. That the site is physically suitable for the type of development.
14. The project can be adequately and reasonably served by public facilities, services and utilities.
15. The location, size, planning concepts, design features, and operating characteristics of the project are and will be compatible with the character of the site and the land uses and development intended for the surrounding area by the General Plan.
16. The establishment, maintenance, or operation of the use would not, under the circumstances be detrimental to the health, safety, or general welfare of persons residing or working in the neighborhood of the proposed use, or detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the City.

Conditions of Approval - Milco Development

1. All plans shall be implemented in accordance with the plans approved by the Grass Valley Planning Commission for Development Review Application 10DRC-19, Annexation 10PLN-19, Prezone 10PLN-20, and General Plan Amendment 10PLN-21 unless changes are approved by the Commission prior to commencing such changes. Minor changes may be approved by the Community Development Department as determined appropriate by the Community Development Director.
2. The applicant agrees to defend, indemnify, and hold harmless the City in any action or proceeding brought against the City to void or annul this discretionary land use approval.
3. The applicant shall file a Notice of Determination, including payment of associated fees, in the office of the County Clerk within (5) days after the approval date of the project. The applicant shall provide a copy of the notice to the City.
4. If construction of the project has not commenced within one (1) year from the date of approval, or by April 26, 2012, the Development Review application approval shall become null and void. For the purposes of this condition, the term "commencement" means the obtaining of a City Building Permit and the initiation of construction activity on the site.
5. As part of the annexation application submitted to the Local Agency Formation Commission, the applicant shall apply to Nevada Irrigation District for Annexation into the water service area for parcels 09-680-50 & 53.

PRIOR TO ISSUANCE OF A GRADING PERMIT, THE FOLLOWING CONDITIONS SHALL BE SATISFIED:

6. The applicant shall submit to the City Engineer for review and approval, an improvements and grading plan prepared by a Registered Civil Engineer; shall obtain a Grading Permit; and shall pay all appropriate fees for plan check and inspection. The grading and improvement plans shall include but not be limited to roadway/driveway/parking lot slopes and elevations, curb, gutters, sidewalks, striping and signing, paving, water and sewer pipelines, storm drains, street/parking lot lights, accessible access from the sidewalk to the buildings and from the accessible parking spaces to the buildings, retaining walls, and all easements, in accordance with City Improvement Standards.
7. The project developer shall adhere to the following tree protection measure as noted on the plans during any construction activities for this project:

All trees to be saved shall be enclosed by a construction barrier placed around the dripline zone of the tree. The construction barrier shall consist of four-foot tall mesh safety fencing in a bright color. The fencing shall be tied to six-foot tall metal poles spaced a maximum of twenty feet apart. Each pole shall be placed with two feet below the surface of the ground.

8. The applicant shall:
 - i) Obtain the applicable harvest document(s) from the California Department of Forestry and Fire Protection and submit a copy of the approved document to the City. Either:
 - a. Less Than 3 Acre Conversion Exemption. Any project with less than 3 acres of land disturbance may qualify (see 14 CCR 1104.1 (a)(2) for conditions).
 - b. Timberland Conversion (PRC4621) and Timber Harvest Plan (PRC.4581). Any project with 3 acres or greater or that do not meet the conditions in 14 CCR 1104.1 (a)(2).
 - ii) Obtain a tree removal permit from the Grass Valley Public Works Department.
9. The applicant shall submit to the City Engineer for review and approval two copies of a detailed Soils Engineering Report and Engineering Geology Report certified by a Civil Engineer registered in the State of California. In addition to the California Building Code requirements, the report shall specify the pavement structural sections for the proposed roadways in relation to the proposed traffic indexes. The improvements and grading plans shall incorporate the recommendations of the approved Soils Engineering Report and Engineering Geology Report. The project developer shall retain a civil engineer, soils engineer, and engineering geologist to provide professional inspection of the grading operations. If work is observed as not being in compliance with the California Building Code and the approved improvements and grading plans, the discrepancies shall be reported immediately in writing to the permittee, the building official, and the Engineering Division.
10. The applicant shall prepare a detailed engineering plan that incorporates recommendations identified in the Preliminary Geotechnical Report dated November 8, 2010. Geotechnical measures shall be incorporated into project grading and construction. A Geotechnical Engineer shall be retained for observation during grading operations to ensure implementation of those recommendations included within the Geotechnical Report. **(MM5)**
11. If any retaining walls or other wall structures equal to or greater than four feet in height (from the base of the footing to the top of the wall) are identified on the grading/improvement plans, the applicant shall:
 - a. Place a note on the grading/improvement plans stating that any walls equal to or greater than four feet in height will require a Building Permit prior to being constructed.

- b. Submit design calculations for the walls for review and acceptance.
 - c. If the proposed walls are to be constructed against a cut slope that cannot be graded back per the California Building Code, submit:
 1. A signed and stamped letter from a Licensed Civil Engineer or Geotechnical Engineer identifying a temporary shoring plan and how the cut slopes for the walls will be protected from the weather during construction.
 2. A signed and stamped letter from a Licensed Civil Engineer or Geotechnical Engineer stating that a copy of the required OSHA Permit will be supplied to the City prior to any excavation on the site and that a qualified OSHA Approved Inspector or Professional Civil Engineer will:
 - 1) Be onsite during excavation for and construction of the retaining walls;
 - 2) Be onsite at least once a day during inclement weather; and 3) Will submit daily reports to the City.
12. The applicant shall submit a Storm Water Pollution Prevention Plan (SWPPP) to the City for acceptance, file a Notice of Intent with the California Water Quality Control Board and comply with all provisions of the Clean Water Act. The applicant shall submit the Waste Discharge Identification (WDID) number, issued by the state, to the Engineering Division.
13. The applicant shall submit to the City Engineer for review and approval, drainage plans, hydrologic, and hydraulic calculations prepared by a Registered Civil Engineer. The drainage plans and calculations shall indicate the following conditions before and after development:
- Quantities of water, water flow rates, major watercourses, drainage areas and patterns, diversions, collection systems, flood hazard areas, sumps and drainage courses. Hydrology shall be in accordance with the City of Grass Valley Improvement Standards and Specifications and Master Plan Drainage Standards.
- In order to preclude significant impact to downstream properties, the applicant shall limit the storm water run-off after development to the pre-development conditions for the 10, 25, and 100 year storm events. The site drainage system shall incorporate water/oil separators, or other approved methods to prevent site contaminants from impacting downstream watersheds.
14. A detailed grading, permanent erosion control and landscaping plan shall be submitted for review and approval by the Engineering Division prior to commencing grading. Erosion control measures shall be implemented in accordance with the approved plans. Any expenses made by the City to

enforce the required erosion control measures will be paid by the deposit.

15. The applicant shall submit a Dust Mitigation Plan for review and approval by the Northern Sierra Air Quality Management District and City Engineer. Dust mitigation measures shall be implemented in accordance with the approved Dust Mitigation Plan. The dust mitigation plan shall include the following:
 - a. The applicant shall be responsible for ensuring that all adequate dust control measures are implemented in a timely manner during all phases of project development and construction.
 - b. All material excavated, stockpiled, or graded shall be sufficiently watered, treated, or covered to prevent dust from leaving the property boundaries and causing a public nuisance or a violation of an ambient air standard. Watering should occur at least twice daily, with complete site coverage.
 - c. All land clearing, grading, earth moving, or excavation activities on the project shall be suspended as necessary to prevent excessive windblown dust when winds are expected to exceed 20 mph.
 - d. All inactive portions of the development site shall be covered, seeded, or watered until a suitable cover is established. Alternatively, the applicant shall be responsible for applying City approved non-toxic soil stabilizers (according to manufactures specifications) to all inactive construction areas (previously graded areas which remain inactive for 96 hours) in accordance with the local grading ordinance.
 - e. All areas with vehicle traffic shall be watered or have dust palliative applied as necessary for regular stabilization of dust emissions.
 - f. All material transported off-site shall be either sufficiently watered or securely covered to prevent public nuisance.
 - g. Paved streets adjacent to the project shall be swept at the end of each day, or as required to remove excessive accumulations of silt and/or mud which may have resulted from activities at the project site.
 - h. No burning of waste material or vegetation shall take place on-site unless deemed infeasible by the District. Alternatives to burning include chipping, mulching or converting to biomass. **(MM1)**
16. The applicant shall submit sewer calculations for the proposed development and any calculations necessary to verify the existing sewer system's ability to carry the additional flow created by the development.
17. The applicant shall provide information that Waste Management of Grass Valley (WMGV) has approved the plan for the trash/recycling container. The trash/recycling container shall be of adequate size to accommodate the trash and recycling needs of proposed use. The plan shall also be designed for adequate access and servicing by WMGV. The applicant shall provide verification to the Community Services Department that the trash/recycling container has been approved by WMGV. The trash/recycling container shall be installed in accordance with the approved plan prior to occupancy of the building.

18. The improvements and grading plans shall be signed by all other jurisdictional agencies involved (i.e. NID), prior to receiving City Engineer approval.
19. Per the Development Code, the Grading Permit shall expire one (1) year from the effective date of the permit unless an extension is granted by the City Engineer (for up to 180 days).
20. The applicant shall submit final landscape and irrigation plans, prepared by a licensed landscape architect, for review and approval by the Planning and Engineering Divisions. Landscaping design shall comply with all provisions of the City's Water Efficient Landscape Ordinance. The landscape plan shall include evidence that the project provides 20% coverage of the site with landscaping and 50% shade coverage of the parking areas. The plans shall also indicate plantings of vines and shrubs for the retaining wall on the southwest side.

PRIOR TO INITIATING GRADING AND/OR CONSTRUCTION OF THE SITE IMPROVEMENTS FOR THE PROJECT, THE DEVELOPER SHALL INITIATE THE FOLLOWING:

21. That prior to any work being conducted within the State, County or City right-of-way, the applicant shall obtain an Encroachment Permit from the appropriate Agency.
22. A minimum of forty-eight (48) hours prior to commencement of grading activities, the developer's contractor shall notify both the Planning and Engineering Divisions of the intent to begin grading operations. Prior to notification, all grade stakes shall be in place identifying limits of all cut and fill activities. After notification, Planning and Engineering staff shall be provided the opportunity to field review the grading limits to ensure conformity with the approved improvement and grading plans. If differences are noted in the field, grading activities shall be delayed until the issues are resolved.
23. Placement of construction fencing around all trees designated to be preserved in the project.
24. Submittal of two copies to the Engineering Division of the signed improvement/grading plans.
25. Pre-construction surveys for nesting raptors should be conducted prior to construction activities between March 1 and September 30. Surveys should be completed no later than 7 days prior to commencement of grading activity. If a legally-protected species nest is located in a tree designated for removal, removal shall be delayed until after September 30th or until the adults and young

are no longer dependent on the nest which will need to be determined by a biologist. If no raptor nests are detected, construction activities may proceed with no further mitigation. (MM3)

PRIOR TO ISSUANCE OF BUILDING PERMIT(S):

26. Submit for review and approval by the Fire Department, a Fire Safety Plan.
27. Prior to the issuance of building permits, the following items shall be approved and/or verified by the Fire Department:
- a. Required fire flow for these buildings could not be determined. Provide type of construction for the buildings. After fire flow has been determined, the local water agency (NID) shall submit letter stating the ability to meet required fire flow.
 - b. Depending on construction type and fire flow, a Fire Sprinkler System may be required for Building #1. Sprinklers will be required in buildings #2 and #3 to meet NFPA standards. Separate submittals will be required to the Fire Department.
 - c. A Fire Alarm System for the monitoring of the Fire Suppression System shall be required for buildings #2 and #3 and may be required in building #1. All plans and works shall be subject to the California State Contractors License Law and requirements.
 - d. The number of fire hydrants for this project shall be determined once fire flow for the structures has been calculated.
 - e. Fire apparatus access roads shall have unobstructed width of not less than 20 feet and unobstructed vertical clearance of not less than 13 feet 6 inches.
 - f. Approved address numbers are to be placed on the building(s) in such a position as to be clearly visible and legible from the street providing access to the building. Address numbers shall sharply contrast with their background and shall comply with the following minimum height and width dimensions based on the location of the address numbers in relation to the street providing access to the building:

<u>Distance</u>	<u>Height</u>	<u>Width</u>
0-20 feet	4 inches	3/4-inch
21-35 feet	6 inches	1-inch
36-49 feet	9 inches	1-1/4 inches
50 feet or more	12 inches	1-1/2 inches

- g. Fire flow calculations shall be submitted to this department, along with the civil plan submittals.
- h. Dead-end fire apparatus access roads in excess of 150 feet shall be provided with an approved area for turning around the fire apparatus. A

dead-end roadway is shown adjacent to building #2. An approved turn around shall be provided for the fire apparatus.

28. All buildings shall include energy efficient indoor and outdoor lighting and light colored "cool" roofs.
- a. At least 75% of the landscaping within the open space and common areas shall include native and/or drought tolerant landscaping. Shade trees shall be provided at a rate of one for every 25 linear feet of landscaped area.
 - b. Size & orientation of windows & doors shall be designed to take advantage of sun, shade & wind conditions to minimize the requirement on mechanical heating and cooling systems. Site buildings to take advantage of solar orientation. Proper building orientation facilitates the use of natural daylight.
 - c. Incorporate Natural Cooling by utilizing shading from tree canopies (for east & west facing glass). Any combination of natural cooling techniques can be used to reduce overheating, reduce the need for air conditioning and reduce energy.
 - d. All windows shall be Energy Star rated.
 - e. Upgrade insulation to exceed California Title 24 requirements **(MM6)**
29. The following items shall be submitted as part of the Building Permit Application package and be subject to the review and approval of the Planning Department:
- a. Building and appurtenant structure exterior colors and materials. Paint chips of the proposed color scheme shall be included.
 - b. Utility meter, transformer, irrigation control unit location and screening.

All of the aforementioned plans shall incorporate all of the design specifications and criteria as shown on the site plan approved and modified by the City Council on June 28, 2011, unless otherwise modified as specified by condition # 1.

DURING CONSTRUCTION, THE FOLLOWING CONDITIONS SHALL APPLY:

30. If grading or other construction operations unearth archeological or historical Artifacts or resources, construction activities shall cease. The Planning Division shall be notified of the extent and location of discovered materials so that they may be recorded by a qualified archaeologist. Disposition of artifacts shall comply with state and federal laws. A note of this requirement shall be clearly delineated on the grading and building plans of the project. **(MM4)**
31. If any hazardous waste is encountered during the construction of this project, all work shall be immediately stopped and the Nevada County Environmental Health Department, the Fire Department, the Police Department, and the City Inspector

shall be notified immediately. Work shall not proceed until clearance has been issued by all of these agencies.

32. The applicant shall comply with the terms of the nationwide Section 404 permit issued by the U.S. Army Corps of Engineers. This shall include obtaining a Section 401 water quality certification from the Regional Water Quality Control Board and a Section 1602 permit from the Department of Fish and Game. The project shall implement mitigation as approved by the agencies. Such mitigation actions shall include appropriate temporary and permanent BMP's to protect water quality, as well as compensatory mitigation for the loss of habitat by means of payment of in-lieu fees, construction or enhancement of habitat, or a combination of these actions. **(MM2)**
33. Prior to final preparation of the subgrade and placement of pavement base materials, all underground utilities shall be installed and service connections stubbed out behind the hardscape improvement. Public utilities, Cable TV, sanitary sewers, and water lines, shall be installed in a manner which will not disturb the street pavement, curb, gutter and sidewalk, when future service connections or extensions are made.
34. The developer shall keep adjoining public streets free and clean of project dirt, mud, materials, and debris during the construction period.
35. Where soil or geologic conditions encountered in grading operations are different from that anticipated in the soil and/or geologic investigation report, or where such conditions warrant changes to the recommendations contained in the original soil investigation, a revised soil or geologic report shall be submitted by the applicant, for approval by the City Engineer. It shall be accompanied by an engineering and geological opinion as to the safety of the site from hazards of land slippage, erosion, settlement, and seismic activity.
36. Prior to placing the initial lift of asphalt and after all aggregate base is placed, all public sewer pipelines and storm drain pipelines shall be video inspected at the expense of the contractor/developer. All videotapes shall be submitted to the City. If any inadequacies are found, they shall be repaired prior to the placement of the final lift of asphalt.
37. No trucks may transport excavated material off-site unless the loads are adequately wetted and either covered with tarps or loaded such that the material does not touch the front, back, or sides of the cargo compartment at any point less than six inches to the top of the cargo compartment. Also, all excavated material must be properly disposed of in accordance with the City's Standard Specifications.
38. The contractor shall comply with all Occupational Safety & Health Administration (OSHA) requirements.

39. The Grading Permit shall be issued by the Engineering Division.

PRIOR TO CERTIFICATE OF OCCUPANCY:

40. The applicant must apply for and complete annexation of the properties into the Whispering Pines Landscaping and Lighting District.

41. Prior to issuance of a certificate of final occupancy, pursuant to section 17.34.130 of the Development Code, the applicant shall provide the following:

- a. A letter signed by a licensed landscape architect that the landscaping and irrigation have been installed in accordance with the approved plans.
- b. Provide a copy of the landscape maintenance contract, or the bond or cash security guaranteeing the maintenance of the landscaping and irrigation for one year.

PRIOR TO ACCEPTANCE OF PUBLIC IMPROVEMENTS AND EXONERATION OF BONDS, OR OTHER FORM OF SECURITY, THE FOLLOWING CONDITIONS SHALL BE SATISFIED:

42. A Warranty and Guarantee security guaranteeing the public improvements for a period of one year shall be provided in the amount of 10% of the total improvement costs.

43. An acceptable method, such as a tenant agreement and/or CC&R's, must be provided to maintain the common areas, roadways, utilities, detention facilities and the open space. The developer shall provide the appropriate documentation for review by the Community Development Director and City Engineer (and City Attorney if determined necessary by the Community Development Director and/or City Engineer). CC&R's must include a statement that they cannot be modified without the approval of the City of Grass Valley.

44. The Applicant shall sign and record a covenant and agreement to ensure that the onsite storm water facilities will be maintained by the property owner(s).

45. "As-built" plans, signed by the Engineer of Record, must be submitted to the Engineering Division on Mylar and a CD with an AutoCAD (or equivalent) drawing of the public improvements.

46. A final report prepared by the soils engineer, in accordance with the California Building Code, must be submitted to the Engineering Division.

47. A final report prepared by the geologist, in accordance with the California Building Code, must be submitted to the Engineering Division.

48. The grading contractor shall submit a statement of conformance to the as-built plans and specifications.

Exhibit "C"

Mitigation Monitoring & Reporting Program

Mitigation Measure	Implementation Responsibility	Monitoring Responsibility	Timing	Funding	Performance Evaluation Criteria
I. AESTHETICS					
None Required					
II. AIR QUALITY					
<p>1. The applicant shall submit a Dust Mitigation Plan for review and approval by the Northern Sierra Air Quality Management District and City Engineer. Dust mitigation measures shall be implemented in accordance with the approved Dust Mitigation Plan. The dust mitigation plan shall include the following:</p> <p>a. The applicant shall be responsible for ensuring that all adequate dust control measures are implemented in a timely manner during all phases of project development and construction.</p> <p>b. All material excavated, stockpiled, or graded shall be sufficiently watered, treated, or covered to prevent dust from leaving the property boundaries and causing a public nuisance or a violation of an ambient air standard. Watering should occur at least twice daily, with complete site coverage.</p> <p>c. All land clearing, grading, earth moving, or excavation activities on the project shall be suspended as necessary to prevent excessive windblown dust when winds are expected to exceed 20 mph.</p> <p>d. All inactive portions of the development site shall be covered, seeded, or watered until a suitable cover is established. Alternatively, the applicant shall be responsible for applying City approved non-toxic soil stabilizers (according to manufactures specifications) to all inactive construction areas (previously graded areas which remain inactive for 96 hours) in accordance with the local grading ordinance.</p> <p>e. All areas with vehicle traffic shall be watered or have dust palliative applied as necessary for regular stabilization of dust emissions.</p> <p>f. All material transported off-site shall be either sufficiently watered or securely covered to prevent</p>	Applicant	Northern Sierra Air Quality Management District And City Engineer	Prior to issuance of grading permits	Applicant	Grading plans must note and items implemented in field

Mitigation Monitoring & Reporting Program

Mitigation Measure	Implementation Responsibility	Monitoring Responsibility	Timing	Funding	Performance Evaluation Criteria
<p>public nuisance.</p> <p>g. Paved streets adjacent to the project shall be swept or washed at the end of each day, or as required to remove excessive accumulations of silt and/or mud which may have resulted from activities at the project site.</p> <p>h. No burning of waste material or vegetation shall take place on-site unless alternatives to burning are deemed infeasible by the District. Alternatives to burning include chipping, mulching or converting to biomass.</p>					
III. Agriculture and Forest Resources					
None Required					
IV. BIOLOGICAL RESOURCES					
<p>2. The applicant shall comply with the terms of the nationwide Section 404 permit issued by the U.S. Army Corps of Engineers. This shall include obtaining a Section 401 water quality certification from the Regional Water Quality Control Board and a Section 1602 permit from the Department of Fish and Game. The project shall implement mitigation as approved by the agencies. Such mitigation actions shall include appropriate temporary and permanent BMP's to protect water quality, as well as compensatory mitigation for the loss of habitat by means of payment of in-lieu fees, construction or enhancement of habitat, or a combination of these actions.</p>	Applicant	Planning Department , Engineering Department and Army Corp of Engineers	Prior to grading permit	Applicant	Must demonstrate compliance with this provision
<p>3. Pre-construction surveys for nesting raptors should be conducted prior to construction activities between March 1 and September 30. Surveys should be completed no later than 7 days prior to commencement of grading activity. If a legally-protected species nest is located in a tree designated for removal, removal shall be delayed until after September 30th or until the adults and young are no longer dependent on the nest which will need to be</p>	Applicant	Planning and Engineering Departments	Prior to any tree removal and issuance of grading permit	Applicant	Set forth in mitigation measure

Mitigation Monitoring & Reporting Program

Mitigation Measure	Implementation Responsibility	Monitoring Responsibility	Timing	Funding	Performance Evaluation Criteria
determined by a biologist. If no raptor nests are detected, construction activities may proceed with no further mitigation.					
V. CULTURAL RESOURCES					
4. If grading or other construction operations unearth archeological or historical artifacts or resources, construction activities shall cease. The Planning Department shall be notified of the extent and location of discovered materials so that they may be recorded by a qualified archaeologist. Disposition of artifacts shall comply with state and federal laws. A note of this requirement shall be clearly delineated on the grading and building plans of the project. If human burial or scattered human remains are inadvertently encountered during construction activities, the applicant shall inform the County Coroner pursuant to state law.	Applicant	Planning Department possible the County Coroner	During Grading	Applicant	Set forth in mitigation measure
VI. GEOLOGY AND SOILS					
5. Prior to issuance of a grading permit, a detailed engineering plan shall be prepared that incorporates recommendations identified in the Geotechnical Report dated November 8, 2010. Geotechnical measures shall be incorporated into project grading and construction. A Geotechnical Engineer shall review the grading for implementation of those recommendations and design criteria.	Applicant	Engineering Department	Prior to grading permit	Applicant	Set forth in geotechnical report
VII. GREENHOUSE GAS EMISSIONS					
6. All buildings shall include energy efficient indoor and outdoor lighting and light colored "cool" roofs. a. At least 75% of the landscaping within the open space and common areas shall include native and/or drought tolerant landscaping. Shade trees shall be provided at a rate of one for every 25 linear feet of landscaped area.	Applicant	Community Development Department	Building Permits	Applicant	Checked with building permits

Mitigation Monitoring & Reporting Program

Mitigation Measure	Implementation Responsibility	Monitoring Responsibility	Timing	Funding	Performance Evaluation Criteria
<p>b. Size & orientation of windows & doors shall be designed to take advantage of sun, shade & wind conditions to minimize the requirement on mechanical heating and cooling systems. Site buildings to take advantage of solar orientation. Proper building orientation facilitates the use of natural daylight.</p> <p>c. Incorporate Natural Cooling by utilizing shading from tree canopies (for east & west facing glass). Any combination of natural cooling techniques can be used to reduce overheating, reduce the need for air conditioning and reduce energy.</p> <p>d. All windows shall be Energy Star rated.</p> <p>e. Upgrade insulation to exceed California Title 24 requirements.</p>					
VIII. HAZARDS AND HAZARDOUS MATERIALS					
<p>7. Prior to the issuance of any grading or building permits, the possible open vertical mine shaft on the western side of the project shall be excavated and evaluated by a Geotechnical Engineer to determine the proper method for closing/sealing shaft.</p>	Applicant	Community Development Department and possibly the Nevada County Environmental Health Department and/or the Department of Toxic Substance Control	Prior to issuance of grading and building permits	Applicant	Must demonstrate compliance with this provision
IX. HYDROLOGY AND WATER QUALITY					
None Required					
X. LAND USE AND PLANNING					
None Required					
XI. MINERAL RESOURCES					
None Required					

Mitigation Monitoring & Reporting Program

Mitigation Measure	Implementation Responsibility	Monitoring Responsibility	Timing	Funding	Performance Evaluation Criteria
XII. NOISE					
None required					
XIII. POPULATION AND HOUSING					
None Required					
XIV. PUBLIC SERVICES					
None Required					
XV. RECREATION					
None Required					
XVI. TRANSPORTATION/TRAFFIC					
None Required					
XVII. UTILITIES AND SERVICE SYSTEMS					
None Required					

Attachment 3

**CITY OF GRASS VALLEY PLANNING COMMISSION
STAFF REPORT
May 17, 2011 Meeting**

Agenda Item 8.2
To: Grass Valley Planning Commission
From: Barb Carman, Planning Technician *BC*
Reviewed By: Tom Last, Planning Director *TL*
Approved By: Joe C. Heckel, Community Development Director *JCH*
Application Files: Annexation 10PLN- 19, Prezone 10PLN-20, General Plan Amendment Application 10PLN-21, and Development Review Application 10DRC-19
Subject: Milco Development Project - An annexation and rezoning plan of 7.73 acres, and a general plan amendment.

Data Summary

Location: South of Whispering Pines Lane and west of Crown Point Circle next to Whispering Pines Business Park.
Assessor's Parcel No.: 09-680-50, 09-680-53, and 09-680-49
Applicant: Milco Development
Owner: John Miller, Milco Development
Zoning: Current County Zoning BP
General Plan: M-I Manufacturing/Industrial
Environmental Status: Proposed Mitigated Negative Declaration

I. Recommendation: Staff recommends the Planning Commission, by motion, recommend the City Council approve the applications subject to the findings in Section X and the conditions of approval within Attachment 1.

II. Project Description: The site is located along the south of Whispering Pines Lane and west of Crown Point Circle adjacent to the Whispering Pines Business Park. This project consists of the following four applications:

1. An annexation of 7.73 acres into the City of Grass Valley. This includes three (3) parcels 09-680-50, 09-680-53 and 09-680-49 adjacent to Whispering Pines Lane.
2. A General Plan Amendment for modification of the General Plan designation from BP (Business Park) to M-I (Light Industrial). This designation is intended to provide compatibility with the Prezoning and adjoining designations.
3. A rezoning of the properties from the County's BP zoning to M-1 (Light Industrial). This zoning designation would be consistent with the proposed General Plan designation for M-I.
4. Development Review Application for site development and construction of three, single story buildings totaling 57,315 square feet.
 - Building #1, - 8,186 square feet of warehouse with 604 square feet office.

- Building #2 – 26905 square feet of warehouse with 3,455 square feet office.
- Building #3 – 18, 438 square feet of warehouse with 3,158 square feet of office.
- Two of the parcels (09-680-50 and 09-680-53) also require annexation into the Nevada Irrigation Water Service District and will be considered by LAFCo.

The site plan proposes 169 parking spaces located throughout the site. There are two main access points onto the site from Whispering Pines Lane with one located at the northeast corner and the other in the middle of the site. The project will require a large amount of grading and use of retaining walls proposed on the site. On the northwest side, the retaining walls range in height from 1 to 7 feet. One wall along the southwest side is 8 feet in height. The project will require the removal of 29 trees, retaining approximately 86%. A large buffer zone is planned along the southwest side of the site narrowing along the eastern side. The project includes three trash enclosures, a horse-shoe pit, bocce ball court and picnic area.

Drainage from the site is proposed to be collected and directed into two storm drain conduits into stormceptors and then dispersed into drainage along Whispering Pines Lane and along the south side into the natural drainage.

III. Environmental Setting: The 7.73 acres site is located on the south side of Whispering Pines Lane in the County with the eastern property line abutting the City Limits. The parcels are vacant with a mix of black oak, fir and incense cedar trees. The property drains towards the southwest and ranges from 2,608 to 2,650 feet in elevation above sea level. The property is surrounded by light industrial and business park uses.

The topography of the site in general slopes away from a knolltop which is located in the west-central portion of the site. There currently is no development on the property. The site has previously undergone minor modifications which were not for any approved development project. There appears to have previously had a small earthen water reservoir/pond for possible lumber and or mining activity in varied locations. There are dirt roads and trails in and around the site. Aerial photos spanning from 1947 to 2005 indicate that any modifications which had occurred on the site appear to have reverted to resemble the undeveloped status of the late 1940's. There is an existing intermittent drainage ditch along the eastern side of the property with sparse seasonal riparian habitat. The pond does not appear to have been used during the past 40 years.

The site contains thickets of ponderosa pines mixed with oaks, firs and incense cedars. A small band of Serpentine Foothill Pines (Digger) are located adjacent to Whispering Pines Lane which have been degraded from improvements along the road (Whispering Pines Lane). The project site has non-native grasses throughout.

IV. Environmental Status: The City prepared an Initial Study for the project in accordance with the California Environmental Quality Act (CEQA) Guidelines. The study revealed the project may result in significant impacts on the environment, but mitigation measures have been provided to reduce these impacts to a level that is less than significant. Therefore, a Mitigated Negative Declaration is proposed to be adopted. The Initial Study and proposed Mitigated Negative Declaration were circulated for a 30-day public review period starting on March 2, 2011, and ending on April 1, 2011. The City did receive comments from Northern Sierra Air Quality Management District (NSAQMD) and Nevada Irrigation District (NID) that require a modifications and clarifications to the Mitigated Negative Declaration for Air Quality. An addendum was prepared to address these minor revisions.

The environmental document identifies potential impacts on cultural, geology, biological, air quality, greenhouse gas emissions, and hazards and hazardous material resources. The attached Mitigated Negative Declaration discusses each of these issues and provides mitigation measures to reduce the potential impacts to a less than significant level. The mitigation measures are common measures used for similar projects.

The City's traffic policy requires traffic reports for projects that generate more than 50 p.m. peak hour vehicle trips. Based on the Traffic Analysis prepared by TJKM, the project is expected to generate 56 p.m. peak hour trips. This is less than the existing General Plan Land designation of Business Park anticipated, which creates 130 p.m. peak trips. The traffic study also analyzed existing projects and those projects approved but not yet built in the cumulative analysis. All study intersections are projected to operate at the acceptable Level of Service (LOS) "C" or better. The project impacts are not considered significant per the City of Grass Valley standards; however, the project will be required to pay AB 1600 traffic fees.

The geotechnical report noted a potential concern regarding a possible open vertical shaft on the western portion of the property. The site appears to be located over 100 feet from the proposed retaining wall and building site. It will need to be excavated and be mitigated by either over excavation with removal of debris or capped with a concrete plug.

A preliminary biological inventory conducted in 2007 did not show any indications of special-status plant or animal species on the site. The biological report noted a small wetland area which is less than .018 acres. The applicant has obtained a Section 404 permit from the U.S. Army Corps of Engineers. A permit will also be required from the Department of Fish and Game and Regional Water Quality Board.

The addendum discusses briefly how ozone is created and how air quality levels can be affected. There was also a brief discussion regarding construction emissions and emission rates. Clarification was provided for the use of Tier 2 level measures in order to ensure construction emissions will be below the significant threshold.

With the implementation of the mitigation measures, the potential impacts will be reduced to a level that is considered less than significant. Therefore, staff recommends adoption of the proposed Mitigated Negative Declaration.

V. Annexation: This site was designated in the original City's Sphere of Influence for 2000-2005 horizon time. The annexation time horizon represents the time period the City's Sphere of Influence Plan anticipates the land being annexed into the City.

The recently adopted City's Sphere of Influence designates this site as "Near Term", which considers annexation within the next five (5) years. The applicant has requested only the 7.73 acres to be annexed into the City at this time. The applicant has requested that this annexation be rezoned to M-1 to allow light industrial and manufacturing on the site.

The proposed annexation is within the time frame for both the previous and recently adopted Sphere of Influence plans. It is bordered to the north and east by the City limits. In conclusion, staff believes the annexation of this property is logical and appropriate for this area.

NID noted that parcels 09-680-50 and 53 would need to be annexed into NID's water service district in order to be eligible for water service. Parcel 09-680-49 is already within the service district. This annexation would run concurrently with the request for the City.

VI. General Plan Analysis: The Grass Valley 2020 General Plan identifies the site as Business Park. This designation is intended to accommodate a variety of employment generating land uses, including a full range of industrial and commercial uses. The applicant is proposing a General Plan Amendment to modify the General Plan designation from BP (Business Park) to M-1 (Light Industrial) to allow light industrial and manufacturing uses. Pages 18 and 19 of the attached Mitigated Negative Declaration lists related General Plan Goals and policies that support the General Plan Amendment and Rezoning to M-1. This designation would be consistent with the adjoining properties to the north and west. The proposed use for industrial warehouse is consistent with the purpose of this designation. In conclusion, staff believes the General Plan Amendment is appropriate for this area.

VII. Zoning and Project Analysis: The proposed rezoning to M-1 (Light Industrial) would be consistent with the adjoining properties and with the proposed General Plan Amendment to M-1 (Light Industrial).

The project proposes development and design standards that are consistent with the Development Code for the M-1 Zoning. These include building and parking setbacks which are 20 feet from the back of the curb for major streets. The maximum height allowed by the Development Code is 50 feet or 4 stories. The interior side yard building setback of 10 feet.

The proposed buildings are setback 30 feet or further from the curb, and more than 10 feet from the side and rear property lines. The closest parking stall is approximately 30 feet from the back of the curb. The proposed buildings are 24 feet in height above the existing grade, which meets the height standard. The project requires 136 parking spaces for warehouse/office use. The plans show 169 parking stalls including 10 handicapped spaces provided on site. Required parking is based on the square footage proposed for warehouse and office use. The additional parking on site will allow flexibility for a range of uses in the future allowed within the M-1 zoning designation. At this time the final mix of internal uses has not been determined.

VIII. Development Review / Community Design Guidelines: The project was conceptually reviewed by the Development Review Committee (DRC) in 2008 at which time recommendations were provided to the applicant. Revised plans were submitted for formal review by the DRC addressing the previous recommendations. The project was formally reviewed by the DRC on April 26, 2011 with only minor modifications required.

The overall design of the project includes additional details with raised towers, color bands and additional landscaping. The colors incorporate earth tones which are required in the adjoining Whispering Pines Specific Plan and provide continuity to that area. Large boulder outcroppings with shrubs and trees are proposed along Whispering Pines Lane. Landscape planters are proposed within the site between parking spaces and the edges of the buildings. As noted in the previous section, the applicant proposes to retain a large number of existing trees. There are three trash enclosures located throughout the site. An open space area has been designated between buildings #2 and #3 and includes a bocce ball court, horseshoe pit and picnic area.

The roll up doors for building #1 and #2 are directed to face onto the site instead of toward Whispering Pines Lane. They may be partially visible from the street. However, the landscaping proposed along the frontage includes conifer trees and large shrubs which are intended to provide additional screening of the loading areas.

The DRC reviewed the proposed parking lot lighting fixtures and after consideration determined them to be allowed to remain at 20 feet high. The DRC considered the photometric plan which indicates that the lighting would meet the City's standards and would not cause excessive light to flow onto adjacent parcels since the lights would be shielded downward. There are no residential uses adjacent to the project. The DRC supported the proposed 8 feet tall retaining wall along the southwest side with additional screening to be provided in the form of shrubs and vines to break up the massing. The DRC also requested the landscape circle in the middle of the entry area be removed and the "green area" between buildings #2 and #3 be enlarged. The 3 foot high retaining wall along the northwest portion will need to have a "cap" added along the top to resemble the sign.

The applicant has submitted revised plans showing the green area enlarged and landscape circle removed. The cap has also been added to the northwest retaining wall.

The applicant has proposed a monument sign at the west entrance with the same color scheme as the buildings. Lighting for the sign will need to be external illumination only.

The buildings incorporate exterior materials, colors and general design of other buildings in the Whispering Pines Business Park. Furthermore, the project includes a substantial landscape buffer between buildings 1 and 3 and Whispering Pines Lane. The project, as proposed, meets the overall intent of the Design Guidelines for industrial complexes.

IX. Recommendation: Staff recommends the Planning Commission, by motion, recommend the City Council adopt the Mitigated Negative Declaration and approve Annexation 10PLN-19, Prezone 10PLN-20, General Plan Amendment 10PLN-21, and Development Review Application 10DRC-19, subject to following findings and attached conditions of approval.

X. Findings:

1. The City received the application packet for the Milco Project on July 21, 2010. After the City determined the applications were incomplete, the City received additional information and the project was deemed complete on December 28, 2010.
2. The City completed the Initial Study in compliance with the California Environmental Quality Act and concluded that the project may have potentially significant impacts on the environment. Mitigation measures were incorporated into the project to fully mitigate all potentially significant impacts on the environment. The City circulated the proposed Mitigated Negative Declaration for public review (from March 2, 2011 to April 1, 2011) and received comments from the Northern Sierra Air Quality Management District and Nevada Irrigation District.
3. Since the conclusion of the public review period for the proposed Negative Declaration, the City prepared an Addendum to clarify and make insignificant modifications and determined the changes will not lead to any new potential impacts to the environment.
4. The Planning Commission has independently reviewed, analyzed and considered the proposed Mitigated Negative Declaration prior to making its recommendation on this project, and the Mitigated Negative Declaration reflects the independent judgment of the City of Grass Valley.
5. The Grass Valley Development Review Committee reviewed Development Review Application 10DRC-19, Annexation 10PLN-19, Prezone 10PLN-20, and General Plan Amendment 10PLN-21 at its meeting of April 26, 2011.

6. The Grass Valley Planning Commission reviewed Development Review Application 10DRC-19, Annexation 10PLN-19, Prezone 10PLN-20, and General Plan Amendment 10PLN-21 at its meeting of May 17, 2011
7. The proposed amendment to the City's General Plan is consistent with the surrounding land uses.
8. The project will require Annexation into the City of Grass Valley and Nevada Irrigation District Water Service Area.
9. The proposed Zoning designation of M-1 will be consistent with the adjoining properties within the Whispering Pines area.
10. The project, as conditioned, is consistent with the applicable sections and development standards in the Grass Valley Development Code.
11. The project complies with the general principles listed in the Community Design Guidelines and the goals and policies in the Community Design Element.
12. That the site is physically suitable for the type of development.
13. The project can be adequately and reasonably served by public facilities, services and utilities.
14. The location, size, planning concepts, design features, and operating characteristics of the project are and will be compatible with the character of the site and the land uses and development intended for the surrounding area by the General Plan.
15. The establishment, maintenance, or operation of the use would not, under the circumstances be detrimental to the health, safety, or general welfare of persons residing or working in the neighborhood of the proposed use, or detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the City.

XI. Conditions of Approval:

Within Attachment Number 1

Attachments:

1. Conditions of Approval
2. Location Map, Site (AP) Map, and General Land Use Map
3. Plans with revised landscaping and site changes
4. Proposed Mitigated Negative Declaration and Addendum

cc: Applicant
Nevada County Planning Department - email
Nevada County Local Agency Formation Commission - email
Nevada Irrigation District
Nevada County Consolidated Fire District

ATTACHMENT #1

1. All plans shall be implemented in accordance with the plans approved by the Grass Valley Planning Commission for Development Review Application 10DRC-19, Annexation 10PLN-19, Prezone 10PLN-20, and General Plan Amendment 10PLN-21 unless changes are approved by the Commission prior to commencing such changes. Minor changes may be approved by the Community Development Department as determined appropriate by the Community Development Director.
2. The applicant agrees to defend, indemnify, and hold harmless the City in any action or proceeding brought against the City to void or annul this discretionary land use approval.
3. The applicant shall file a Notice of Determination, including payment of associated fees, in the office of the County Clerk within (5) days after the approval date of the project. The applicant shall provide a copy of the notice to the City.
4. If construction of the project has not commenced within one (1) year from the date of approval, or by April 26, 2012, the Development Review application approval shall become null and void. For the purposes of this condition, the term "commencement" means the obtaining of a City Building Permit and the initiation of construction activity on the site.
5. As part of the annexation application submitted to the Local Agency Formation Commission, the applicant shall apply to Nevada Irrigation District for Annexation into the water service area for parcels 09-680-50 & 53.

PRIOR TO ISSUANCE OF A GRADING PERMIT, THE FOLLOWING CONDITIONS SHALL BE SATISFIED:

6. The applicant shall submit to the City Engineer for review and approval, an improvements and grading plan prepared by a Registered Civil Engineer; shall obtain a Grading Permit; and shall pay all appropriate fees for plan check and inspection. The grading and improvement plans shall include but not be limited to roadway/driveway/parking lot slopes and elevations, curb, gutters, sidewalks, striping and signing, paving, water and sewer pipelines, storm drains, street/parking lot lights, accessible access from the sidewalk to the buildings and from the accessible parking spaces to the buildings, retaining walls, and all easements, in accordance with City Improvement Standards.
7. The project developer shall adhere to the following tree protection measure as noted on the plans during any construction activities for this project:

Conditions of Approval –Milco Development Whispering Pines

All trees to be saved shall be enclosed by a construction barrier placed around the dripline zone of the tree. The construction barrier shall consist of four-foot tall mesh safety fencing in a bright color. The fencing shall be tied to six-foot tall metal poles spaced a maximum of twenty feet apart. Each pole shall be placed with two feet below the surface of the ground.

8. The applicant shall:

- i) Obtain the applicable harvest document(s) from the California Department of Forestry and Fire Protection and submit a copy of the approved document to the City. Either:
 - a. Less Than 3 Acre Conversion Exemption. Any project with less than 3 acres of land disturbance may qualify (see 14 CCR 1104.1 (a)(2) for conditions).
 - b. Timberland Conversion (PRC4621) and Timber Harvest Plan (PRC.4581). Any project with 3 acres or greater or that do not meet the conditions in 14 CCR 1104.1 (a)(2).
- ii) Obtain a tree removal permit from the Grass Valley Public Works Department.

9. The applicant shall submit to the City Engineer for review and approval two copies of a detailed Soils Engineering Report and Engineering Geology Report certified by a Civil Engineer registered in the State of California. In addition to the California Building Code requirements, the report shall specify the pavement structural sections for the proposed roadways in relation to the proposed traffic indexes. The improvements and grading plans shall incorporate the recommendations of the approved Soils Engineering Report and Engineering Geology Report. The project developer shall retain a civil engineer, soils engineer, and engineering geologist to provide professional inspection of the grading operations. If work is observed as not being in compliance with the California Building Code and the approved improvements and grading plans, the discrepancies shall be reported immediately in writing to the permittee, the building official, and the Engineering Division.

10. The applicant shall prepare a detailed engineering plan that incorporates recommendations identified in the Preliminary Geotechnical Report dated November 8, 2010. Geotechnical measures shall be incorporated into project grading and construction. A Geotechnical Engineer shall be retained for observation during grading operations to ensure implementation of those recommendations included within the Geotechnical Report. **(MM5)**

11. If any retaining walls or other wall structures equal to or greater than four feet in height (from the base of the footing to the top of the wall) are identified on the grading/improvement plans, the applicant shall:
 - a. Place a note on the grading/improvement plans stating that any walls equal to or greater than four feet in height will require a Building Permit prior to being constructed.

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- b. Submit design calculations for the walls for review and acceptance.
 - c. If the proposed walls are to be constructed against a cut slope that cannot be graded back per the California Building Code, submit:
 - 1. A signed and stamped letter from a Licensed Civil Engineer or Geotechnical Engineer identifying a temporary shoring plan and how the cut slopes for the walls will be protected from the weather during construction.
 - 2. A signed and stamped letter from a Licensed Civil Engineer or Geotechnical Engineer stating that a copy of the required OSHA Permit will be supplied to the City prior to any excavation on the site and that a qualified OSHA Approved Inspector or Professional Civil Engineer will:
 - 1) Be onsite during excavation for and construction of the retaining walls;
 - 2) Be onsite at least once a day during inclement weather; and 3) Will submit daily reports to the City.
12. The applicant shall submit a Storm Water Pollution Prevention Plan (SWPPP) to the City for acceptance, file a Notice of Intent with the California Water Quality Control Board and comply with all provisions of the Clean Water Act. The applicant shall submit the Waste Discharge Identification (WDID) number, issued by the state, to the Engineering Division.
13. The applicant shall submit to the City Engineer for review and approval, drainage plans, hydrologic, and hydraulic calculations prepared by a Registered Civil Engineer. The drainage plans and calculations shall indicate the following conditions before and after development:
- Quantities of water, water flow rates, major watercourses, drainage areas and patterns, diversions, collection systems, flood hazard areas, sumps and drainage courses. Hydrology shall be in accordance with the City of Grass Valley Improvement Standards and Specifications and Master Plan Drainage Standards.
- In order to preclude significant impact to downstream properties, the applicant shall limit the storm water run-off after development to the pre-development conditions for the 10, 25, and 100 year storm events. The site drainage system shall incorporate water/oil separators, or other approved methods to prevent site contaminants from impacting downstream watersheds.
14. A detailed grading, permanent erosion control and landscaping plan shall be submitted for review and approval by the Engineering Division prior to commencing grading. Erosion control measures shall be implemented in accordance with the approved plans. Any expenses made by the City to enforce the required erosion control measures will be paid by the deposit.

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15. The applicant shall submit a Dust Mitigation Plan for review and approval by the Northern Sierra Air Quality Management District and City Engineer. Dust mitigation measures shall be implemented in accordance with the approved Dust Mitigation Plan. The dust mitigation plan shall include the following:
 - a. The applicant shall be responsible for ensuring that all adequate dust control measures are implemented in a timely manner during all phases of project development and construction.
 - b. All material excavated, stockpiled, or graded shall be sufficiently watered, treated, or covered to prevent dust from leaving the property boundaries and causing a public nuisance or a violation of an ambient air standard. Watering should occur at least twice daily, with complete site coverage.
 - c. All land clearing, grading, earth moving, or excavation activities on the project shall be suspended as necessary to prevent excessive windblown dust when winds are expected to exceed 20 mph.
 - d. All inactive portions of the development site shall be covered, seeded, or watered until a suitable cover is established. Alternatively, the applicant shall be responsible for applying City approved non-toxic soil stabilizers (according to manufactures specifications) to all inactive construction areas (previously graded areas which remain inactive for 96 hours) in accordance with the local grading ordinance.
 - e. All areas with vehicle traffic shall be watered or have dust palliative applied as necessary for regular stabilization of dust emissions.
 - f. All material transported off-site shall be either sufficiently watered or securely covered to prevent public nuisance.
 - g. Paved streets adjacent to the project shall be swept at the end of each day, or as required to remove excessive accumulations of silt and/or mud which may have resulted from activities at the project site.
 - h. No burning of waste material or vegetation shall take place on-site unless deemed infeasible by the District. Alternatives to burning include chipping, mulching or converting to biomass. **(MM1)**
16. The applicant shall submit sewer calculations for the proposed development and any calculations necessary to verify the existing sewer system's ability to carry the additional flow created by the development.
17. The applicant shall provide information that Waste Management of Grass Valley (WMGV) has approved the plan for the trash/recycling container. The trash/recycling container shall be of adequate size to accommodate the trash and recycling needs of proposed use. The plan shall also be designed for adequate access and servicing by WMGV. The applicant shall provide verification to the Community Services Department that the trash/recycling container has been approved by WMGV. The trash/recycling container shall be installed in accordance with the approved plan prior to occupancy of the building.
18. The improvements and grading plans shall be signed by all other jurisdictional agencies involved (i.e. NID), prior to receiving City Engineer approval.

Conditions of Approval –Milco Development Whispering Pines

19. Per the Development Code, the Grading Permit shall expire one (1) year from the effective date of the permit unless an extension is granted by the City Engineer (for up to 180 days).
20. The applicant shall submit final landscape and irrigation plans, prepared by a licensed landscape architect, for review and approval by the Planning and Engineering Divisions. Landscaping design shall comply with all provisions of the City's Water Efficient Landscape Ordinance. The landscape plan shall include evidence that the project provides 20% coverage of the site with landscaping and 50% shade coverage of the parking areas. The plans shall also indicate plantings of vines and shrubs for the retaining wall on the southwest side.
21. The applicant must apply for and complete a parcel merger for APN's 09-680-49, 50 and 53. The parcel merger must be recorded prior to acceptance of the improvements.

PRIOR TO INITIATING GRADING AND/OR CONSTRUCTION OF THE SITE IMPROVEMENTS FOR THE PROJECT, THE DEVELOPER SHALL INITIATE THE FOLLOWING:

22. That prior to any work being conducted within the State, County or City right-of-way, the applicant shall obtain an Encroachment Permit from the appropriate Agency.
23. A minimum of forty-eight (48) hours prior to commencement of grading activities, the developer's contractor shall notify both the Planning and Engineering Divisions of the intent to begin grading operations. Prior to notification, all grade stakes shall be in place identifying limits of all cut and fill activities. After notification, Planning and Engineering staff shall be provided the opportunity to field review the grading limits to ensure conformity with the approved improvement and grading plans. If differences are noted in the field, grading activities shall be delayed until the issues are resolved.
24. Placement of construction fencing around all trees designated to be preserved in the project.
25. Submittal of two copies to the Engineering Division of the signed improvement/grading plans.
26. Pre-construction surveys for nesting raptors should be conducted prior to construction activities between March 1 and September 30. Surveys should be completed no later than 7 days prior to commencement of grading activity. If a legally-protected species nest is located in a tree designated for removal, removal shall be delayed until after September 30th or until the adults and young are no longer dependent on the nest which will need to be determined by a

Conditions of Approval –Milco Development Whispering Pines

biologist. If no raptor nests are detected, construction activities may proceed with no further mitigation. **(MM3)**

PRIOR TO ISSUANCE OF BUILDING PERMIT(S):

27. Submit for review and approval by the Fire Department, a Fire Safety Plan.
28. Prior to the issuance of building permits, the following items shall be approved and/or verified by the Fire Department:
 - a. Required fire flow for these buildings could not be determined. Provide type of construction for the buildings. After fire flow has been determined, the local water agency (NID) shall submit letter stating the ability to meet require fire flow.
 - b. Depending on construction type and fire flow, a Fire Sprinkler System may be required for Building #1. Sprinklers will be required in buildings #2 and #3 to meet NFPA standards. Separate submittals will be required to the Fire Department.
 - c. A Fire Alarm System for the monitoring of the Fire Suppression System shall be required for buildings #2 and #3 and may be required in building #1. All plans and works shall be subject to the California State Contractors License Law and requirements.
 - d. The number of fire hydrants for this project shall be determined once fire flow for the structures has been calculated.
 - e. Fire apparatus access roads shall have unobstructed width of not less than 20 feet and unobstructed vertical clearance of not less than 13 feet 6 inches.
 - f. Approved address numbers are to be placed on the building(s) in such a position as to be clearly visible and legible from the street providing access to the building. Address numbers shall sharply contrast with their background and shall comply with the following minimum height and width dimensions based on the location of the address numbers in relation to the street providing access to the building:

<u>Distance</u>	<u>Height</u>	<u>Width</u>
0-20 feet	4 inches	3/4-inch
21-35 feet	6 inches	1-inch
36-49 feet	9 inches	1-1/4 inches
50 feet or more	12 inches	1-1/2 inches

- g. Fire flow calculations shall be submitted to this department, along with the civil plan submittals.
- h. Dead-end fire apparatus access roads in excess of 150 feet shall be provided with an approved area for turning around the fire apparatus. A dead-end roadway is shown adjacent to building #2. An approved turn around shall be provided for the fire apparatus.

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29. All buildings shall include energy efficient indoor and outdoor lighting and light colored “cool” roofs.
- a. At least 75% of the landscaping within the open space and common areas shall include native and/or drought tolerant landscaping. Shade trees shall be provided at a rate of one for every 25 linear feet of landscaped area.
 - b. Size & orientation of windows & doors shall be designed to take advantage of sun, shade & wind conditions to minimize the requirement on mechanical heating and cooling systems. Site buildings to take advantage of solar orientation. Proper building orientation facilitates the use of natural daylight.
 - c. Incorporate Natural Cooling by utilizing shading from tree canopies (for east & west facing glass). Any combination of natural cooling techniques can be used to reduce overheating, reduce the need for air conditioning and reduce energy.
 - d. All windows shall be Energy Star rated.
 - e. Upgrade insulation to exceed California Title 24 requirements **(MM6)**
30. The following items shall be submitted as part of the Building Permit Application package and be subject to the review and approval of the Planning Department:
- a. Building and appurtenant structure exterior colors and materials. Paint chips of the proposed color scheme shall be included.
 - b. Utility meter, transformer, irrigation control unit location and screening.

All of the aforementioned plans shall incorporate all of the design specifications and criteria as shown on the site plan approved and modified by the City Council on _____, unless otherwise modified as specified by condition # 1.

DURING CONSTRUCTION, THE FOLLOWING CONDITIONS SHALL APPLY:

31. If grading or other construction operations unearth archeological or historical Artifacts or resources, construction activities shall cease. The Planning Division shall be notified of the extent and location of discovered materials so that they may be recorded by a qualified archaeologist. Disposition of artifacts shall comply with state and federal laws. A note of this requirement shall be clearly delineated on the grading and building plans of the project. **(MM4)**
32. If any hazardous waste is encountered during the construction of this project, all work shall be immediately stopped and the Nevada County Environmental Health Department, the Fire Department, the Police Department, and the City Inspector shall be notified immediately. Work shall not proceed until clearance has been issued by all of these agencies.

Conditions of Approval –Milco Development Whispering Pines

33. The applicant shall comply with the terms of the nationwide Section 404 permit issued by the U.S. Army Corps of Engineers. This shall include obtaining a Section 401 water quality certification from the Regional Water Quality Control Board and a Section 1602 permit from the Department of Fish and Game. The project shall implement mitigation as approved by the agencies. Such mitigation actions shall include appropriate temporary and permanent BMP's to protect water quality, as well as compensatory mitigation for the loss of habitat by means of payment of in-lieu fees, construction or enhancement of habitat, or a combination of these actions. **(MM2)**
34. Prior to final preparation of the subgrade and placement of pavement base materials, all underground utilities shall be installed and service connections stubbed out behind the hardscape improvement. Public utilities, Cable TV, sanitary sewers, and water lines, shall be installed in a manner which will not disturb the street pavement, curb, gutter and sidewalk, when future service connections or extensions are made.
35. The developer shall keep adjoining public streets free and clean of project dirt, mud, materials, and debris during the construction period.
36. Where soil or geologic conditions encountered in grading operations are different from that anticipated in the soil and/or geologic investigation report, or where such conditions warrant changes to the recommendations contained in the original soil investigation, a revised soil or geologic report shall be submitted by the applicant, for approval by the City Engineer. It shall be accompanied by an engineering and geological opinion as to the safety of the site from hazards of land slippage, erosion, settlement, and seismic activity.
37. Prior to placing the initial lift of asphalt and after all aggregate base is placed, all public sewer pipelines and storm drain pipelines shall be video inspected at the expense of the contractor/developer. All videotapes shall be submitted to the City. If any inadequacies are found, they shall be repaired prior to the placement of the final lift of asphalt.
38. No trucks may transport excavated material off-site unless the loads are adequately wetted and either covered with tarps or loaded such that the material does not touch the front, back, or sides of the cargo compartment at any point less than six inches to the top of the cargo compartment. Also, all excavated material must be properly disposed of in accordance with the City's Standard Specifications.
39. The contractor shall comply with all Occupational Safety & Health Administration (OSHA) requirements.
40. The Grading Permit shall be issued by the Engineering Division.

Conditions of Approval –Milco Development Whispering Pines

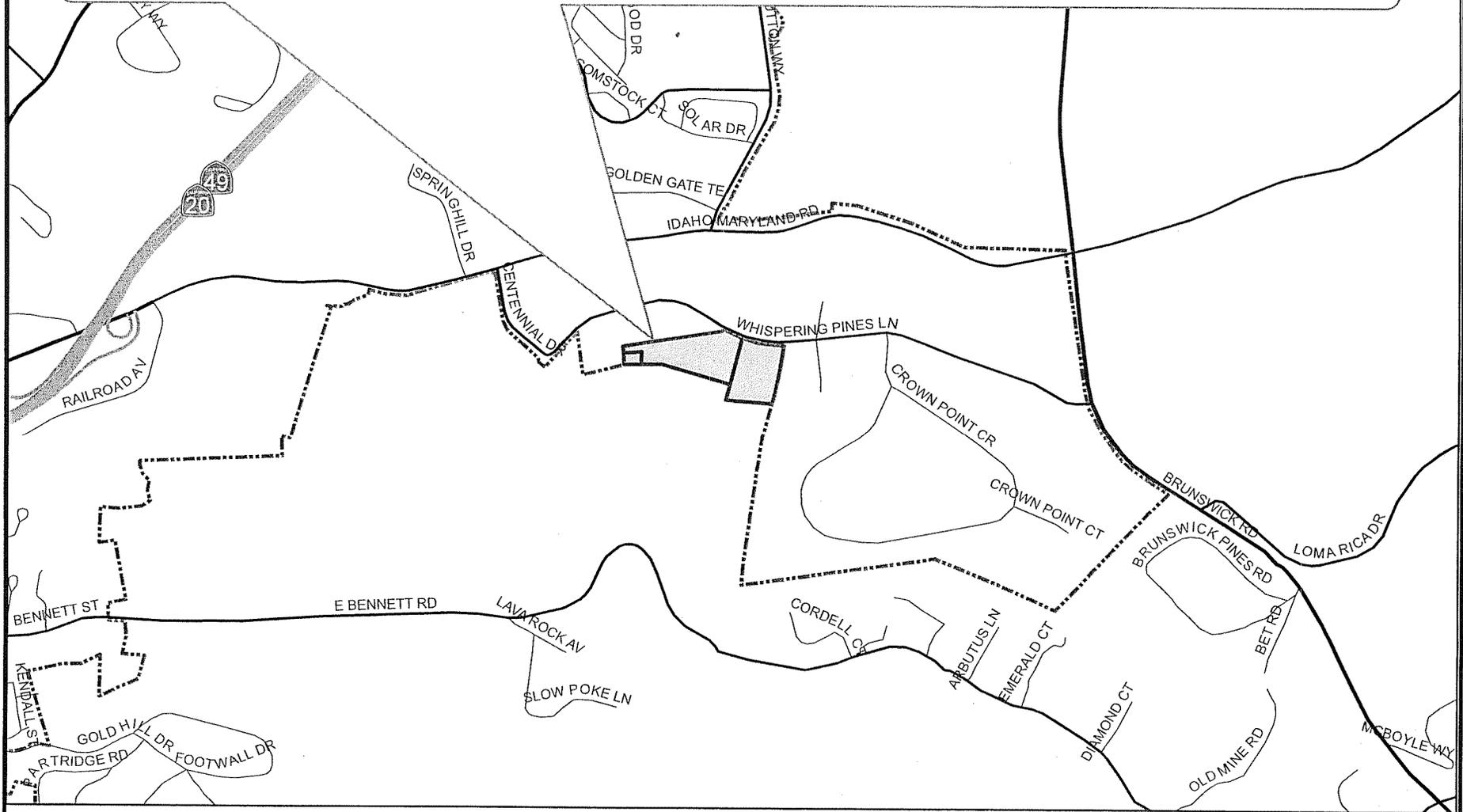
PRIOR TO CERTIFICATE OF OCCUPANCY:

41. The applicant must apply for and complete annexation of the properties into the Whispering Pines Landscaping and Lighting District.
42. Prior to issuance of a certificate of final occupancy, pursuant to section 17.34.130 of the Development Code, the applicant shall provide the following:
 - a. A letter signed by a licensed landscape architect that the landscaping and irrigation have been installed in accordance with the approved plans.
 - b. Provide a copy of the landscape maintenance contract, or the bond or cash security guaranteeing the maintenance of the landscaping and irrigation for one year.

PRIOR TO ACCEPTANCE OF PUBLIC IMPROVEMENTS AND EXONERATION OF BONDS, OR OTHER FORM OF SECURITY, THE FOLLOWING CONDITIONS SHALL BE SATISFIED:

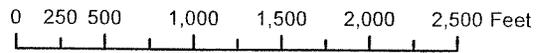
43. A Warranty and Guarantee security guaranteeing the public improvements for a period of one year shall be provided in the amount of 10% of the total improvement costs.
44. An acceptable method, such as a tenant agreement and/or CC&R's, must be provided to maintain the common areas, roadways, utilities, detention facilities and the open space. The developer shall provide the appropriate documentation for review by the Community Development Director and City Engineer (and City Attorney if determined necessary by the Community Development Director and/or City Engineer). CC&R's must include a statement that they cannot be modified without the approval of the City of Grass Valley.
45. The Applicant shall sign and record a covenant and agreement to ensure that the onsite storm water facilities will be maintained by the property owner(s).
46. "As-built" plans, signed by the Engineer of Record, must be submitted to the Engineering Division on Mylar and a CD with an AutoCAD (or equivalent) drawing of the public improvements.
47. A final report prepared by the soils engineer, in accordance with the California Building Code, must be submitted to the Engineering Division.
48. A final report prepared by the geologist, in accordance with the California Building Code, must be submitted to the Engineering Division.
49. The grading contractor shall submit a statement of conformance to the as-built plans and specifications.

Development Review Application (10DRC-19), Annexation Application (10PLN-19), Prezone Application (10PLN-20), and General Plan Amendment (10PLN-21) for Milco Development for the Annexation of 7.73 acres into the City; Prezoning the land to M-1; and a General Plan Amendment to Manufacturing/Industrial for the development of three commercial buildings totaling 57,315 sq. ft. on 7.73 acres located in Nevada County at 11107 Whispering Pines Lane (APNs 09-680-49, 50 and 53).



City of Grass Valley Location Map

Regarding Applications: 10DRC-19, 10PLN-19, 10PLN-20, and 10PLN-21
April 21st, 2011



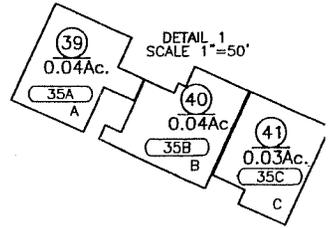
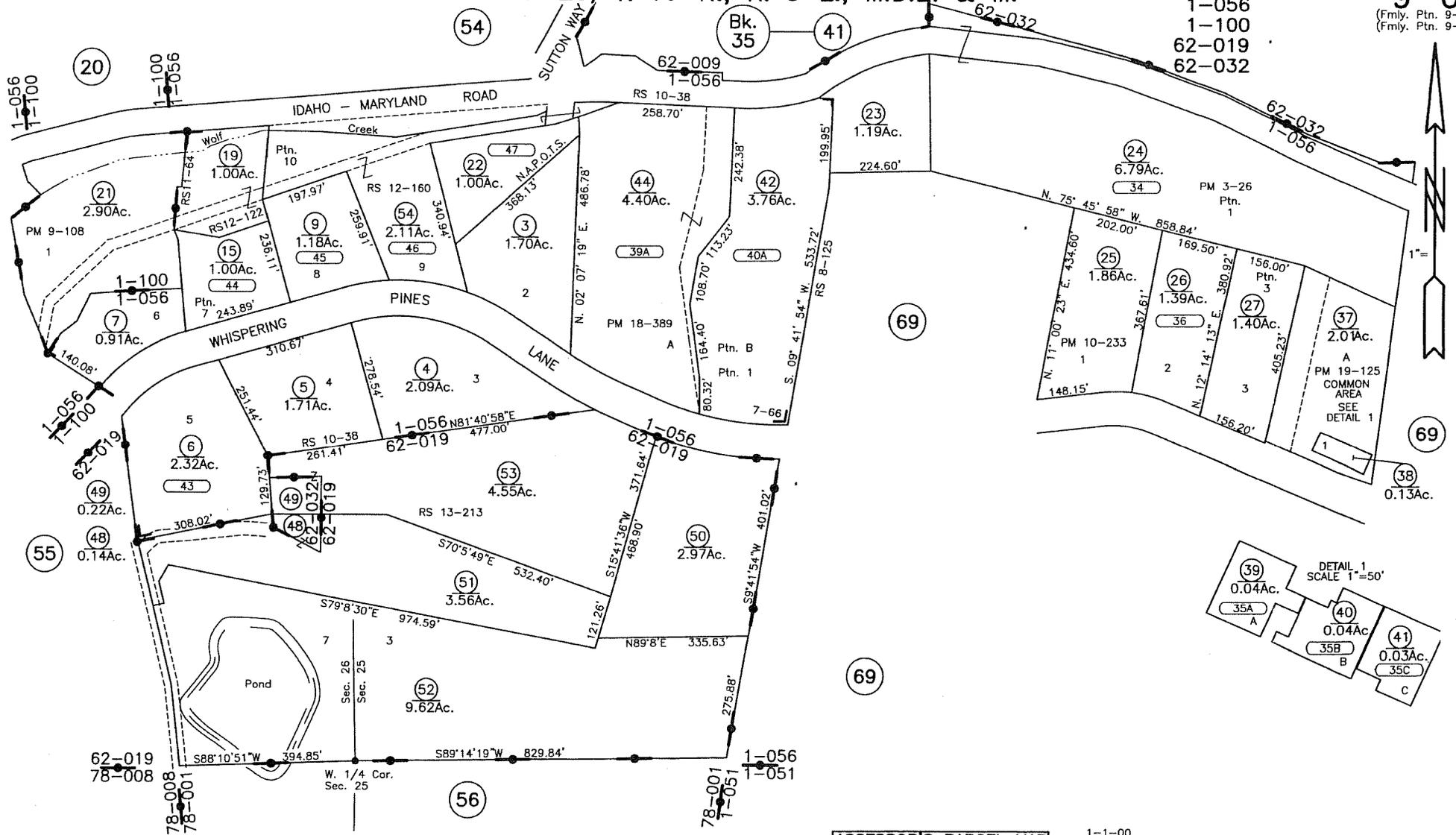
-  Project Location
-  Grass Valley City Limit



PTN. SEC'S 25 & 26, T. 16 N., R. 8 E., M.D.B. & M.

Tax Area Code
1-056
1-100
62-019
62-032

9-68
(Fmly. Ptn. 9-18)
(Fmly. Ptn. 9-57)

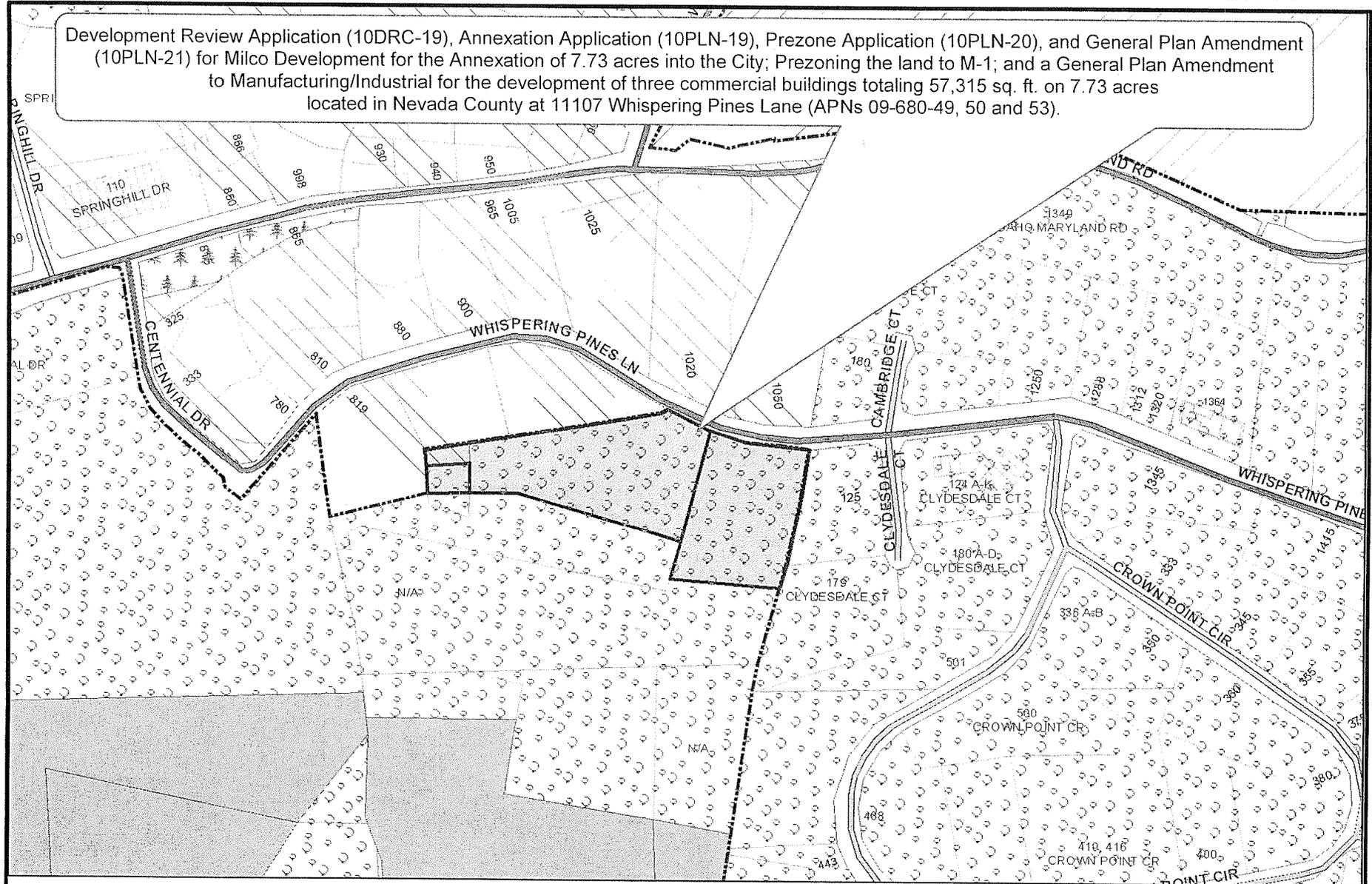


CENTENNIAL PARK SUB. Bk. 7, Pg. 66
GRASS VALLEY ANNEX. No. 67 RS Bk. 9, Pg. 203
WHISPERING PINES/MORGAN RANCH REFUNDING DISTRICT

ASSESSOR'S PARCEL MAP
This map was prepared for assessment purposes only. No liability is assumed for the accuracy of data shown. Assessor's parcels may not comply with local lot-split or building site ordinances.

1-1-00
1-1-01
1-1-02
1-1-05
1-1-07
1-1-08
Assessor's Map Bk. 9 -Pg. 68
County of Nevada, Calif.
1999
LAST UPDATE 7-24-08

Development Review Application (10DRC-19), Annexation Application (10PLN-19), Prezone Application (10PLN-20), and General Plan Amendment (10PLN-21) for Milco Development for the Annexation of 7.73 acres into the City; Prezoning the land to M-1; and a General Plan Amendment to Manufacturing/Industrial for the development of three commercial buildings totaling 57,315 sq. ft. on 7.73 acres located in Nevada County at 11107 Whispering Pines Lane (APNs 09-680-49, 50 and 53).



City of Grass Valley Land Use Map

Regarding Applications: 10DRC-19, 10PLN-19, 10PLN-20, and 10PLN-21
April 21st, 2011



- | | |
|----------------------------|--------------------------|
| Project Location | Open Space |
| Business Park | Special Development Area |
| Manufacturing / Industrial | Urban Med. Density |
| Grass Valley City Limit | |



Attachment 4

**Annexation (10PLN-19),
General Plan Amendment (10PLN-21),
Prezone (10PLN-20)
and Development Review (10DRC-19)**

**Initial Study and
Proposed Negative Declaration**

Prepared by
City of Grass Valley
125 East Main Street
Grass Valley, CA 95949

February 28, 2011

Annexation (10PLN-19), General Plan Amendment (10PLN-21),
Prezone (10PLN-20) and Development Review (10DRC-19)

Initial Study & Negative Declaration

Proposed **Mitigated Negative Declaration**

In accordance with the California Environmental Quality Act, the City of Grass Valley has conducted an Initial Study to determine whether the following project may have a significant adverse effect on the environment. On the basis of that study, the City finds that the proposed project will not have a significant adverse effect on the environment and will not require the preparation of an Environmental Impact Report. Therefore, this Negative Declaration has been prepared.

LEAD AGENCY: City of Grass Valley
125 East Main Street
Grass Valley, CA. 95945

Contact: Thomas Last, Planning Director
(530) 274-4711

PROJECT APPLICANT: John Miller
Milco Development Inc.
13620 Lincoln Way, Ste 300
Auburn, CA 95603

Contact: John Miller

PROJECT LOCATION: The 7.73 acre project is located south of Whispering Pines Lane and west of Crown Point Circle next to the Whispering Pines Business Park (APN's 09-680-50, 09-680-53 and 09-680-49). The property is currently located within the County boundaries, with the eastern property line abutting the City limits.

PROJECT DESCRIPTION: The project consists of the following four applications:

1. An annexation of the entire 7.73 acres into the City of Grass Valley which is within the Sphere of Influence for the 2000-2005 time horizon. Also includes annexing 7.52 acres into the Nevada Irrigation Water District (APN's 09-680-50 and 53)
2. A rezoning of the site to M-1 (Light Industrial/Manufacturing) to allow the type of proposed development consistent with the adjacent parcels.
3. A general plan amendment to change the proposed general plan from BP (Business Park) to M-1 (Light Industrial/Manufacturing) in order to be consistent with the surrounding parcels and zoning designation.
4. Development Review for the construction of three, single-story light industrial buildings on the site. The buildings total 57,315 square feet and the project includes 169 parking spaces, a bocce ball court, horseshoe pit area and picnic area. Landscaping includes the use of boulders and shrubs throughout the site and shade trees located in the parking lot and around the buildings.

REVIEW PERIOD: (30 days) March 2, 2011 through April 1, 2011

Annexation (10PLN-19), General Plan Amendment (10PLN-21),
Prezone (10PLN-20) and Development Review (10DRC-19)

**CITY OF GRASS VALLEY
INITIAL STUDY ENVIRONMENTAL CHECKLIST**

1. **Application Number:** Annexation 10PLN-19, Prezone 10PLN-20, General Plan Amendment 10PLN-21 and Development Review Application 10DRC-19.

2. **Applicant's/Representative's** John Miller
Name and Address: Milco Development
13620 Lincoln Way, Ste 300
Auburn, CA 95603

3. **Lead Agency Name and Address:** City of Grass Valley, Community Development Department
125 East Main Street
Grass Valley, CA 95949

4. **Project Description:** The project consists of the following four applications:
 1. An annexation of 7.73 acres currently within the County's jurisdiction. This site was designated in the Sphere of Influence for 2000-2005 horizon for annexation. Also includes annexation of 7.72 acres into the Nevada Irrigation Water District (APN's 09-680-50 & 53)
 2. A pre-zoning of the land from the County's BP zoning district to the City's M-1(Light Industrial) zoning district. This zoning would be consistent with the zoning of the adjacent properties.
 3. A general plan amendment to modify the 2020 General Plan from BP to M-1 to allow light industrial and manufacturing consistent with adjoining properties.
 4. Development Review for the construction of three, single-story light industrial buildings on the site. The buildings total 57,315 square feet and include 169 parking spaces, a bocce ball court, horseshoe pit area and picnic area. The project also includes landscaping and shading in the parking lot and around the buildings.

5. **Project Location:** The 7.73 acres site is located along the south side of Whispering Pines Lane, west of the intersection with Clydesdale Court.

6. **General Plan Designation:** M-1

7. **Zoning:** M-1

8. **Other public agencies whose approval is required (e.g. permits, financing approval, or participation agreement):** Northern Sierra Air Quality Management District, United States Army Corps of Engineers, Regional Water Quality Control Board, California Department of Fish and Game, Nevada Irrigation District

Annexation (10PLN-19), General Plan Amendment (10PLN-21),
Prezone (10PLN-20) and Development Review (10DRC-19)

DETERMINATION

On the basis of this initial evaluation:

- I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
- I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.
- I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
- I find that the proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated impact" on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
- I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to the earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Signature _____ Date _____

Printed Name _____ For _____

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:

The environmental factors checked below would be significantly affected by this project as indicated by the checklist in the following sections:

- | | | |
|--|---|---|
| <input type="checkbox"/> Aesthetics | <input checked="" type="checkbox"/> Air Quality | <input type="checkbox"/> Agriculture and Forest Resources |
| <input checked="" type="checkbox"/> Biological Resources | <input checked="" type="checkbox"/> Cultural Resources | <input checked="" type="checkbox"/> Geology / Soils |
| <input checked="" type="checkbox"/> Greenhouse Gas Emissions | <input checked="" type="checkbox"/> Hazards and Hazardous Materials | |
| <input type="checkbox"/> Hydrology/Water Resources | <input type="checkbox"/> Land Use/Planning | <input type="checkbox"/> Mineral Resources |
| <input type="checkbox"/> Noise | <input type="checkbox"/> Population/Housing | <input type="checkbox"/> Public Services |
| <input type="checkbox"/> Recreation | <input type="checkbox"/> Transportation/Traffic | <input type="checkbox"/> Utilities/Service Systems |

Annexation (10PLN-19), General Plan Amendment (10PLN-21),
Prezone (10PLN-20) and Development Review (10DRC-19)

□ Mandatory Findings of Significance

CEQA GUIDANCE

Appendix I of the State CEQA Guidelines was used in answering the checklist questions:

1. A brief explanation is required for all answers except "No Impact" answers that are adequately supported by the discussion. A "No Impact" answer is adequately supported if the discussion shows that the impact simply does not apply to projects like the one involved (e.g., the project falls outside a fault rupture zone). A "No Impact" answer should be explained when it is based on project-specific factors as well as general standards (e.g., the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis).
2. All answers must take account of the whole action involved, including offsite as well as onsite, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.
3. Once the lead agency has determined that a particular physical impact may occur, then the checklist answers must indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant. "Potentially Significant Impact" is appropriate if there is substantial evidence that an effect may be significant. If there are one or more "Potentially Significant Impact" entries when the determination is made, an EIR is required.
4. "Negative Declaration: Less than Significant with Mitigation Incorporated" applies where the incorporation of mitigation measures has reduced an effect from "Potentially Significant Impact" to a "Less Than Significant Impact." The lead agency must describe the mitigation measures, and briefly explain how they reduce the effect to a less-than-significant level (mitigation measures from earlier analyses may be cross-referenced).
5. Earlier analyses may be used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration (State CEQA Guidelines Section 15063[c][D]). In this case, a brief discussion should identify the following:
 - a. Earlier Analysis Used. Identify and state where they are available for review.
 - b. Impacts Adequately Addressed. Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis.
 - c. Mitigation Measures. For effects that are "Less than Significant with Mitigation Measures Incorporated," describe the mitigation measures which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project.
6. Lead agencies are encouraged to incorporate into the checklist references to information sources for potential impacts (e.g., General Plans, Land Use Codes). Reference to a previously prepared or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated.
7. Supporting Information Sources: A source list should be attached, and other sources used or individuals contacted should be cited in the discussion.
8. This is only a suggested form, and lead agencies are free to use different formats; however, lead agencies should normally address the questions from this checklist that are relevant to a project's environmental effects in whatever format is selected.
9. The explanation of each issue should identify:
 - a. the significance criteria or threshold, if any, used to evaluate each question; and
 - b. the mitigation measure identified, if any, to reduce the impact to less than significance

Identification of the potential for residual significant adverse environmental impacts would trigger the need for preparation of an

EIR. For issue areas in which no significant adverse impact would result or impacts would be reduced to a less-than-significant level by mitigation, further analysis is not required

Issues	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
1. AESTHETICS Would the proposal:				
a. Have a substantial adverse effect on a scenic vista?			X	
b. Substantially damage scenic resources, including, but not limited to, tree, rock outcroppings, and historic buildings within a scenic state highway?			X	
c. Substantially degrade the existing visual character or quality of the site and its surroundings?			X	
d. Create a new source of substantial light or glare which would adversely affect day or nighttime views in this area?			X	

Discussion of Checklist Answers:

The City of Grass Valley's General Plan includes objectives for the protection of major views in the planning area, including hillsides, ridgelines and forested areas. The General Plan's Conservation/Open Space Element includes a discussion about the 1972 and 1982 General Plans establishing Highway 49/20 as a scenic highway. The 1972 General Plan proposed policies prohibiting billboards and off-premise signs, and encouraged landscaping and tree planting along scenic corridors. The 1982 General Plan reinforced those policies and efforts through new policies designed to enhance City "entryways". The plan also identified the need to address viewsheds, specifically, prominent hills and ridgelines. The 2020 General Plan states the City has implemented some aspects of scenic highway/entryway and hillside/ridgeline provisions through the zoning and design guidelines. However, the adopted policies focus on further implementing view shed protection measures. Caltrans has noted that the Highway 49/20 corridor is on the eligibility list to become a State Scenic Highway. The entire length of Highway 49, from Madera to Sierra Counties, is on the "eligibility list", with only a small section in Sierra County being "officially designated". To become "officially designated" as a State Scenic Highway, each local jurisdiction must conduct a substantial amount of research, adopt a scenic corridor protection program, and comply with the State's process and obtain the State's approval for the designation.

The project site includes of a knolltop in the west central portion of the site. The site slopes away from the knolltop. The site has not previously had development although there are dirt roads and trails and many trees which were removed several years ago. The site is not within the highway 20/49 corridor. There is a Ponderosa Pine forest mixed with black oaks, firs, and incense cedars throughout approximately 5 acres of the site. A narrow band of Digger Pines Woodland is along the north side bordering Whispering Pines Lane. Numerous native species including poison oak, mountain misery and deerbrush are scattered over the site indicating previous disturbances on the site. Portions of the site have previously been graded with dirt roads winding through.

The proposed buildings include a design that is found within the Whispering Pines area. The Development Review Committee and/Planning Commission could request some additional architectural treatment (e.g. a wainscot, color changes) on the buildings. Such architectural changes would be considered minor. The landscape plan includes perimeter planting to screen the drive aisle, parking and loading/storage areas. The landscape plan also shows the location of new trees and location of those trees to be retained in close proximity to the developed areas of the site.

The site has previously been modified over the years being used originally for mining and storage of waste rock in the 1940's. A small earthen reservoir was below the property (located to the south) but has not had any activity since that time. The site has been allowed to revert to a more natural state. The proposed development area would require grading to accommodate the 57,315 square feet of commercial development. This will result in the need to remove approximately 29 trees with a diameter of 8" or greater. The applicant estimates roughly 180 trees would be preserved. This represents a preservation rate of approximately 86%, which exceeds the City's goal of 20% tree retention. The plan does provide for protection of trees around the perimeter of the site which will create screening along the western side of the property. Proposed lighting for the site incorporates twenty pole lights, 20 feet high in the parking areas and twenty seven wall light units on the buildings

which are designed to be shielded and directed downward. The proposed lighting generated would be less than a three (3) foot candle radius. The City's Development Code standard for lighting in parking lots is a maximum height of 14 feet although the Development Review Committee may allow fixtures to be up to 20 feet high. The Design Guidelines for industrial areas does state that light standards shall not exceed 20 feet. The adjoining property to south and west are currently vacant, and properties to the north and east abutting the City limits are also industrial uses where no light spillage will occur onto the neighboring properties. The levels would be considered within acceptable limits for light generation and distribution.

Conclusion:

The property is not designated as a scenic vista, and will not significantly degrade the visual character of the area. Additionally, the property is not within a scenic highway corridor. The proposed lighting plan demonstrates that the project will not have a significant adverse impact on aesthetics if it is developed as proposed.

Mitigation:

No significant impacts associated with aesthetics or scenic resources are anticipated within his commercial development. No mitigation measures would be required.

Issues	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
<p>2. AIR QUALITY</p> <p>Where available, the significance criteria established by the applicable air quality management or pollution control district may be relied upon to make the following determinations.</p> <p>Would the project:</p>				
<p>a. Conflict with or obstruct implementation of the applicable air quality plan?</p>				X
<p>b. Violate any air quality standard or contribute substantially to an existing or projected air quality violation?</p>			X	
<p>c. Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?</p>		X		
<p>d. Expose sensitive receptors to substantial pollutant concentrations?</p>				X
<p>e. Create objectionable odors affecting a substantial number of people?</p>				X

Discussion of Checklist Answers:

The overall air quality in Nevada County is good but two known air quality problems exist, the Ozone and Suspended Particulate Matter (PM-10). Nevada County is considered to be "non-attainment" for both pollutants. PM-10 in Grass Valley meets federal ambient standards but exceeds more stringent State standards in the winter, primarily due to smoke created from wood stoves and fireplaces. Violations in the summer months have been noted during forest fires or periods of open burning. The PM-10 is usually associated with dust generated during construction. The project will require excavation work to accommodate the building pads and roadways. Dust generated by grading and construction activities could have a potential to create short-term air quality impacts. The use and operation of the business will not generate pollutants, odors or

impact air movement in the immediate area. Even though this is a relocation and expansion of an existing business, the project is expected to generate additional vehicular traffic which will increase local vehicle emissions. The project is located within the Northern Sierra Air Quality Management District (NSAQMD). The NSAQMD has adopted standard regulations and mitigation measures for projects that exceed certain air quality threshold levels to address and mitigate both long and short-term emissions. The NSAQMD threshold levels are divided into three levels (A, B, and C). Depending on which of the tiers the project falls within, the NSAQMD applies that level of mitigation. NSAQMD relies on the air quality program, URBEMIS 2007, version 9.2.4, to estimate criteria pollutants created by a project. Projects that generate 136 tons per day of Reactive Organic Gases (ROG), Oxides of Nitrogen (NOx), or Particulate Matter (PM₁₀) are considered significant impacts. The URBEMIS modeling indicates this project will result in total area source operational emissions of 0.38 tons/year ROG, 0.03 tons/year PM₁₀, 0.54 tons/year for NOx and 0.02 tons/year of PM_{2.5}.

Conclusion:

The modeling concludes this project will generate air emissions below the City threshold and no mitigation is needed. The project will be required to comply with NSAQMD standard mitigation measures. With the implementation of the mitigation measure, if necessary, the project would not have a significant impact on the environment associated with health hazards.

Mitigation:

1. Prior to issuance of a grading permit, a Dust Mitigation Plan shall be submitted for review and approval by the Northern Sierra Air Quality Management District and City Engineer. Dust mitigation measures shall be implemented in accordance with the approved Dust Mitigation Plan. The dust mitigation plan shall include the following:

- The applicant shall be responsible for ensuring that all adequate dust control measures are implemented in a timely manner during all phases of project development and construction.
- All material excavated, stockpiled, or graded shall be sufficiently watered, treated, or covered to prevent dust from leaving the property boundaries and causing a public nuisance or a violation of an ambient air standard. Watering should occur at least twice daily, with complete site coverage.
- All land clearing, grading, earth moving, or excavation activities on the project shall be suspended as necessary to prevent excessive windblown dust when winds are expected to exceed 20 mph.
- All inactive portions of the development site shall be covered, seeded, or watered until a suitable cover is established. Alternatively, the applicant shall be responsible for applying City approved non-toxic soil stabilizers (according to manufactures specifications) to all inactive construction areas (previously graded areas which remain inactive for 96 hours) in accordance with the local grading ordinance.
- All areas with vehicle traffic shall be watered or have dust palliative applied as necessary for regular stabilization of dust emissions.
- All material transported off-site shall be either sufficiently watered or securely covered to prevent public nuisance.
- Paved streets adjacent to the project shall be swept or washed at the end of each day, or as required to remove excessive accumulations of silt and/or mud which may have resulted from activities at the project site.
- No burning of waste material or vegetation shall take place on-site.

Issues	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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Issues	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
<p>3. AGRICULTURE AND FOREST RESOURCES In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board.</p> <p>Would the project:</p>				
<p>a. Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to nonagricultural use?</p>				X
<p>b. Conflict with existing zoning for agricultural use, or a Williamson Act contract?</p>				X
<p>c. Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?</p>				X
<p>d. Result in the loss of forest land or conversion of forest land to non-forest use?</p>			X	
<p>e. Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?</p>				X

Discussion of Checklist Answers:

This property is surrounded primarily by industrial uses. The project location is not considered as farmland or used for agricultural purposes. The property does not contain the Williamson Act contract, nor is it located near any active farms. There will be no loss of forest land or conversion of forest land to non-forest use.

Conclusion:

Impacts associated with the agricultural and forest resources are considered less than significant.

Mitigation:

No mitigation measures required.

Issues	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
4. BIOLOGICAL RESOURCES Would the proposal:				
a. Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?		X		
b. Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or US Fish and Wildlife Service?		X		
c. Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?				X
d. Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native residents or migratory wildlife corridors, or impede the use of native wildlife nursery sites?				X
e. Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?				X
f. Conflict with provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?				X

Discussion of Checklist Answers:

The property is located on the south side of Whispering Pines Lane near Clydesdale Court. The topography of the site generally slopes away from a knolltop which is located in the west-central portion of the site. There currently is no development on the property. The site has previously undergone minor modifications which were not for any approved development project. There appears to have previously had a small earthen water reservoir/pond for possible lumber and or mining activity in varied locations. There are dirt roads and trails in and around the site. Aerial photos spanning from 1947 to 2005 indicate that any modifications which had occurred on the site appear to have reverted to resemble the undeveloped status of the late 1940's. A preliminary biological inventory conducted in 2007 did not show any indications of special-status plant or animal species on the site. There is an existing intermittent drainage ditch along the eastern side of the property with sparse seasonal riparian habitat. The pond does not appear to have been used during the past 40 years and does not contain wetland or riparian habitats.

The site contains thickets of ponderosa pines mixed with oaks, firs and incense cedars. A small band of Serpentine Foothill Pines (Digger) are located adjacent to Whispering Pines Lane which have been degraded from improvements along the road (Whispering Pines Lane). The

project site has non-native grasses throughout.

The biological study indicates an intermittent drainage ditch that has seasonal riparian habitat located along the eastern boundary under existing power lines. The Army Corps of Engineers verified a wetland delineation for the area. The biological study includes mitigation, which will reduce these impacts to a level that is less than significant. The applicant has applied and received a Nationwide 404 permit from the Army Corps of Engineers (NWP39) for the loss of .018 acre of intermittent and .369 acre of riparian wetland. This was presented in a letter from the Army Corps of Engineers dated May 13, 2010. A 401 permit from the Regional Water Quality Control Board and a 1602 permit from the California Department of Fish and Game will also be required.

The study also notes that there are a variety of larger trees on site that create a canopy cover and could potentially support nesting raptors. Since a number of trees will be removed for the project, there is a potential the project could impact nesting raptors. Therefore, a mitigation measure is included to reduce any impacts on these birds. The site does not contain, nor is it near, any adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan.

Conclusion:

With the incorporation of the following mitigation measures, impacts associated with biological resources are considered less than significant.

Mitigation:

2. The applicant shall comply with the terms of the nationwide Section 404 permit issued by the U.S. Army Corps of Engineers. This shall include obtaining a Section 401 water quality certification from the Regional Water Quality Control Board and a Section 1602 permit from the Department of Fish and Game. The project shall implement mitigation as approved by the agencies. Such mitigation actions shall include appropriate temporary and permanent BMP's to protect water quality, as well as compensatory mitigation for the loss of habitat by means of payment of in-lieu fees, construction or enhancement of habitat, or a combination of these actions.

3. Pre-construction surveys for nesting raptors should be conducted prior to construction activities between March 1 and September 30. Surveys should be completed no later than 7 days prior to commencement of grading activity. If a legally-protected species nest is located in a tree designated for removal, removal shall be delayed until after September 30th or until the adults and young are no longer dependent on the nest which will need to be determined by a biologist. If no raptor nests are detected, construction activities may proceed with no further mitigation.

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
5. CULTURAL RESOURCES Would the proposal:				
a. Cause a substantial adverse change in the significance of a historical resource as defined in §15064.5?		X		
b. Cause a substantial adverse change in the significance of an archeological resource pursuant to §15064.5?				X
c. Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?				X
d. Disturb any human remains, including those interred outside of formal cemeteries?				X

Discussion of Checklist Answers:

The site is currently vacant and surrounded by other business park or vacant land. The General Plan identifies this property as having

moderate cultural sensitivity. This area is classified as moderate due to past mining activities that have occurred in the vicinity of the property. There are no visible signs of historical resources in the development area. The CEQA guidelines require, as part of the objectives, criteria and procedures required by section 21082 of Public Resources Code, a lead agency should make provisions if historical or unique archaeological resources accidentally discovered during construction. A mitigation measure is proposed to address this should cultural resources be discovered during construction consistent with the cultural and historic element of the General Plan.

Conclusion

With the incorporation of the following mitigation measure, impacts associated with cultural resources are considered less than significant.

Mitigation:

4. If grading or other construction operations unearth archeological or historical artifacts or resources, construction activities shall cease. The Planning Department shall be notified of the extent and location of discovered materials so that they may be recorded by a qualified archaeologist. Disposition of artifacts shall comply with state and federal laws. A note of this requirement shall be clearly delineated on the grading and building plans of the project.

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
6. GEOLOGY AND SOILS Would the project:				
a. Expose people or structure to potential substantial adverse effects, including the risk of loss, injury, or death involving:				
i. Rupture of a known earthquake fault, as delineated in the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.			X	
ii. Strong seismic ground shaking			X	
iii. Seismic-related ground failure, including liquefaction?				X
iv. Landslides				X
b. Result in substantial soil erosion or loss of topsoil?		X		
c. Be located on a geologic unit or soil that is unstable, or that would become unstable because of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?		X		
d. Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?				X

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
e. Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?				X

Discussion of Checklist Answers:

The Soil Survey of Nevada County identifies the soils on the western and central site as “Sites very stony loam” and on the eastern portion “Alluvial Land, Clayey, soil type”. The Stony Loam is a well-drained soil which has a medium runoff potential and the erosion hazard is slight to moderate. The Alluvial Land, Clayey is reported to be moderately to poorly drained soils. This soil is generally considered a stable soil, with moderate landslide potential. There are no identified active fault lines on the property. The project will require a substantial amount of grading to accommodate the project. The preliminary grading plan shows the use of retaining walls which range in heights between 1 and 8 feet along the southwest and between 3 and 4 feet on the eastern portion of the site. The current standard for retaining walls in the City is 6 feet. This will be addressed by the Development Review Committee and the City Engineering Department since it is not visible from the public view. The southeast corner of the site has a 2:1 fill proposed. The City of Grass Valley is located in the low intensity zone for earthquake severity. A Geotechnical Report dated November 8, 2010 was submitted with the application. The geotechnical report concludes that the site is suitable for the proposed project. There are standard conditions in the report which the applicant will need to comply with. The project will be required to comply with the City’s erosion control standards and Storm Water Management program during construction.

Conclusion:

With the incorporation of the following mitigation measure, impacts associated with geology and geologic hazards are considered less than significant.

Mitigation:

5. Prior to issuance of a grading permit, a detailed engineering plan shall be prepared that incorporates recommendations identified in the Geotechnical Report dated November 8, 2010. Geotechnical measures shall be incorporated into project grading and construction. A Geotechnical Engineer shall review the grading for implementation of those recommendations and design criteria.

Issues	Potentially Significant Impact	Less than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
7. GREENHOUSE GAS EMISSIONS Would the project:				
a. Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?		X		
b. Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?			X	

Discussion of Checklist Answers:

Greenhouse gases (GHG) include gases that can affect the earth’s surface temperature. The natural process through which heat is retained in the troposphere is called the greenhouse effect. The greenhouse effect traps heat in the troposphere through process of absorbing different levels of radiation. GHG are effective in absorbing radiation which would otherwise escape back to space. Therefore, the greater the amount of radiation absorbed, the greater the warming potential of the atmosphere. GHG are created through natural process and/or industrial processes. These gases include water vapor (H₂O), carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs),

Perfluorocarbons (PFCs), and sulfur hexafluoride (SF₆).

The United States Environmental Protection Agency (EPA) identifies the following four primary constituents that represent the greenhouse gas emissions of most importance:

- Carbon Dioxide (CO₂): CO₂ is primarily generated by the burning of fossil fuels. Other sources include burning of solid waste and wood products.
- Methane (CH₄): CH₄ is emitted from the incomplete combustion of forest fires, landfills, livestock and animal land uses, and leaks in natural gas lines.
- Nitrous Oxide (N₂O): N₂O is produced by agricultural and industrial activities.
- Fluorinated Gases (HFCs and PFCs): These gases are emitted from industrial activities and refrigerants used in both stationary refrigeration and mobile air conditioning.

The US EPA estimates nearly 85% of the nation's GHG emissions are comprised of carbon dioxide. For most nonindustrial development projects, motor vehicles make up the bulk of GHG emissions. According to the California Air Resources Board, the primary GHG emitted by vehicles are CO₂, CH₄, N₂O, and HFCs.

Since 2005, the California legislator has adopted several bills, and the Governor has signed several Executive Orders, in response to the impacts related to global warming. Assembly Bill 32 states global warming poses a serious threat to California and directs the Air Resources Board to develop and adopt regulations that reduce GHG emissions to 1990 levels by the year 2020. Senate Bill 97 requires an assessment of a project's GHG emissions as part of the CEQA process. SB 97 also required the Office of Planning and Research to develop guidelines to analyze GHG emissions.

The NSAQMD has not adopted thresholds of significance for GHG emissions. Additionally, CARB has not yet adopted any tools to measure the impact of a project on global warming. Due to the nature of global climate change, it is not anticipated that a single project would have substantial impact on the global climate change. Although it is possible to estimate a project's CO₂ emissions, it is not possible to determine whether or how an individual project's relatively small incremental contribution might translate into physical effects on the environment. Specifically, the URBEMIS model indicates this project would emit approximately 437.85 tons of CO₂ annually. This number does not consider the project design and mitigation measures which will reduce this number. The project's emissions represent less than 0.0000037 percent of the projected statewide GHG emissions in the year 2010. Given the complex interactions between various global and regional-scale physical, chemical, atmospheric, terrestrial, and aquatic systems, it is not possible to determine whether the project's CO₂ emissions would result in any altered conditions. Therefore, an individual project's GHG emissions must be considered in the global and statewide context. This requires GHG emissions to be considered in a cumulative context.

Even though we are unable to quantify the level of impact a project may have on global climate changes, an applicant and the City can take steps to reduce GHG emissions on a project by project basis. The applicant has incorporated a number of energy efficient measures and designed the project to include many smart growth principles. Within the Project Summary document, the applicant also identifies other measures which will reduce GHG emissions. These measures are consistent with the California State Attorney General's Office, which provides guidance on methods for reducing GHG emissions. The Attorney General's document titled "Addressing Climate Change at the Project Level" includes recommendations for energy efficient buildings, appliances, heating and cooling systems, passive solar, energy efficient lighting, water conservation and landscaping, and many other design and operational measures that can reduce GHG emissions. Specific examples this project incorporates include a site design providing good southern exposure for most of the buildings, clustering buildings to reduce impacts on the land and preserve trees and native vegetation. Furthermore, Section 10 of this study discusses the City's General Plan and Development Code policies and standards that support the AG's guidelines.

Conclusion:

Given there are no state, regional, or local threshold to objectively determine the level of impact created by an individual project, and that this project would generate less than a 0.0000037 percent unmitigated increase in GHG emissions, the project is expected to result in an impact that is less than significant. Additionally, some air districts have estimated a CO₂ reduction factor for specific project design features and mitigation measures.

Mitigation:

6. All buildings shall include energy efficient indoor and outdoor lighting and light colored "cool" roofs.
 - a. At least 75% of the landscaping within the open space and common areas shall include native and/or drought tolerant

- landscaping. Shade trees shall be provided at a rate of one for every 25 linear feet of landscaped area.
- Size & orientation of windows & doors shall be designed to take advantage of sun, shade & wind conditions to minimize the requirement on mechanical heating and cooling systems. Site buildings to take advantage of solar orientation. Proper building orientation facilitates the use of natural daylight.
 - Incorporate Natural Cooling by utilizing shading from tree canopies (for east & west facing glass). Any combination of natural cooling techniques can be used to reduce overheating, reduce the need for air conditioning and reduce energy.
 - All windows shall be Energy Star rated.
 - Upgrade insulation to exceed California Title 24 requirements.

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
8. HAZARDS AND HAZARDOUS MATERIAL Would the project:				
a. Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?				X
b. Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?				X
c. Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?				X
d. Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?				X
e. For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?				X
f. For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?			X	
g. Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?				X

h. Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?			X	
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Discussion of Checklist Answers:

The property is not listed as a hazardous materials site. The parcels are not located near any schools. The Nevada County Airport is located to the east of the property; however, the project site is not located within any of the four safety zones. The project will not physically interfere with an adopted emergency response plan or emergency evacuation plan. The property has a significant amount of vegetation which could expose people and structures to wildland fire hazards. The project will be required to reduce ladder fuels and dead vegetation as part of the standard Fire Department requirements.

The geotechnical report noted a potential concern regarding a possible open vertical shaft on the western portion of property. The site appears to be located over 100 feet from the proposed retaining wall and building site. The shaft will need to be excavated and a determination made on how to mitigate by either over excavation with removal of debris or capped with a concrete plug.

Conclusion:

Impacts associated with hazards and hazardous materials are considered less than significant.

Mitigation:

7. Prior to the issuance of any grading or building permits, the possible open vertical mine shaft on the western side of the project shall be excavated and evaluated by a Geotechnical Engineer to determine the proper method for closing/sealing shaft.

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
9. HYDROLOGY AND WATER QUALITY Would the project:				
a. Violate any water quality standards or waste discharge requirements?			X	
b. Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?				X
c. Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?			X	

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
d. Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?			X	
e. Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?			X	
f. Otherwise substantially degrade water quality?			X	
g. Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?				X
h. Place within a 100-year flood hazard area structures which would impede or redirect flood flows?				X
i. Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?				X

Discussion of Checklist Answers:

The project site, as with a majority of the City, is located within the Wolf Creek Drainage Basin. Wolf Creek is located 600 feet to the north of the project site. The property has an intermittent tributary and seasonal riparian area which has been delineated by the Army Corp of Engineers. The FIRM map produced by the Federal Emergency Management Agency did not identify the project site as being located in the 100-year floodplain that could expose people or property to flooding. The project will not utilize ground water and therefore should not impact the flow, quality, or loss of ground water. The project will require grading and the addition of approximately 139,984 square feet of new impervious surfaces (41% of the property) to accommodate the proposed development. The project proposes to collect all storm water runoff and direct it through two storm drain conduits into stormceptors and then dispersed into drainage along Whispering Pines Lane (along northwest) and along the south side into natural drainage. The storm water detention facilities are proposed in pipes under the parking lot and would be designed so as to maintain pre-development storm water runoff. The runoff from the site may contain grease, oil and other petroleum by-product, as well as other sediments that may have the potential of impacting the Wolf Creek watershed. The City will require grease, oil and other petroleum by-product separators to be installed at the drainage inlets to prevent the pollutants from entering the storm water detention facility. The project may have short term impacts associated with sediment and run off during grading and construction. The project will be required to comply with the City's Storm Water Management Plans which incorporates "Best Management Practices" (BMP's) during the development of the property.

Onsite drainage to be directed to one of the two onsite drainage collection/detention systems and will be released at pre-development flow rates to the original basin.

Conclusion

With the inclusion of the City's standard conditions for storm water management, impacts associated with hydrology and water quality are considered less than significant.

Mitigation: None Required

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
10. LAND USE PLANNING Would the project:				
a. Physically divide an established community?				X
b. Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or Land Use Code) adopted for the purpose of avoiding or mitigating an environmental effect?			X	
c. Conflict with any applicable habitat conservation plan or natural community conservation plan?				X
d. Affect agricultural resources or operations (e.g. impacts to soils or farmland from incompatible uses)?				X

Discussion of Checklist Answers:

The project site is currently located within the unincorporated area of Nevada County. The 7.73 acre site is located adjacent to the City of Grass Valley city limits and is within the City's Sphere of Influence. The project includes an application for Annexation into the City and Prezone from the County's BP zoning to the City's M-1 (Light Industrial). The applicant has also applied for a General Plan Amendment to establish consistency between the zoning designation and the general plan. The City's BP zoning designation does not allow for the manufacturing/light industrial that the applicant has designated for this development. The proposal represents a logical expansion which was planned for within the Sphere of Influence and would not divide an established community. The area has not been used for agricultural purposes nor is it near any farming locations. The site is not near any habitat conservation plan or natural community conservation plan. Included below are General Plan goals and policies as they relate to avoidance of, or mitigation of environmental effects and references to sections of the Development Code.

Land Use Element:

- 10- LUP Annex properties within the Grass Valley Planning Area prior to or in conjunction with their development.
- 29- LUP Promote the establishment and expansion of the businesses and industries offering professional, light manufacturing and technical employment opportunities related to the existing and developing forms of technology.

Circulation Element:

- 1-COSG Provide and balance between development and the natural environment, protecting and properly utilizing Grass Valley's sensitive environmental areas/features, natural resource and open space lands. COSO objectives 1, 2, 3, 4, 5, and 6-COSO include statements for minimizing impacts to sensitive and natural resources.
- 2-COSG Protect, enhance and restore hydrologic features, including stream corridors, flood plains, wetlands, and riparian zones.
- 6-COSG Assure compliance with and understanding of air and water quality regulations and standards.
- 7-CO Use of City standards throughout the Planning Area.
- 10-CO Protection of stream courses, riparian areas and other natural features.
- 13-CO Improvement of the transportation system to facilitate commerce and economic development.

Safety Element:

- 6-SP Incorporate fire hazard reduction considerations into land use plan/patterns, both public and private.
- 8-SI Require new developments to utilize on-site storm water detention techniques.
- 9-SI Establish site development standards designed to minimize the resulting area and percentage of impervious surface.

Community Design Policies:

Annexation (10PLN-19), General Plan Amendment (10PLN-21),
Prezone (10PLN-20) and Development Review (10DRC-19)

14-CDP Integrate natural areas for runoff detention in all major new development.
17-CDP Assure adequate City design review of all new development.

The Grass Valley Development Code includes other chapters that apply to this project as well. Chapter 17.54 relating to Hillside and Ridgeline Development, and Chapter 17.34 for Landscaping Standards. Chapter 17.62 includes the standards for grading and erosion control.

Conclusion:

In response to the General Plan goals, objectives, and policies as they relate to avoiding or mitigating environmental effect as well as the key chapters of the Development Code that need to be addressed during the review and approval process. Impacts associated with land use and planning are considered less than significant.

Mitigation: No mitigation is required for the land use section.

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
11. MINERAL RESOURCES. Would the project:				
a. Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?			X	
b. Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?				X

Discussion of Checklist Answers:

The General Plan Mineral Management Element states a good portion of the City is classified as having significant mineral deposits; but also notes there is limited opportunity to mine these areas because of the existing incompatible urban development. This property is located adjacent to one of the two areas identified in the Mineral Management Element as being targeted for mining conservation. However, the proposed M-1 uses are considered compatible with potential mining activities.

Conclusions:

Impacts associated with mineral resources are considered less than significant.

Mitigation:

No mitigation measure would be required.

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
12. NOISE. Would the project result in:				

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a. Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?			X	
b. Exposure of persons to or generation of excessive groundbourne vibration or groundbourne noise levels?				X
c. A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?			X	
d. A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?			X	
e. For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?				X
f. For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?				X

Discussion of Checklist Answers:

The General Plan Noise Element establishes maximum allowable noise levels for different types of land uses. The project site is currently vacant and has residential uses to the southeast. Temporary noise will occur during construction. The City has established hours for construction which will minimize the neighbors expose to the construction noise. Once completed, the project can be expected to generate traffic related noise, and noise related to truck deliveries of products to the site. However, the vehicle-related noises will be limited to occasional deliveries and not create constant noise levels. The project site is not located within an airport land use plan or near a private or public airport.

Conclusion:

Impacts associated with noise are considered less than significant.

Mitigation:

No mitigation measures would be required.

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
13. POPULATION AND HOUSING. Would the project:				

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a. Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?				X
b. Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?				X
c. Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?				X

Discussion of Checklist Answers:

The proposed commercial use is allowed and a commercial use was planned for in the City's 2020 General Plan and therefore would not affect regional or local population or housing projections. The project will not displace any existing housing or affect the affordability of housing. Therefore, the project will not impact population or housing in the area or City.

Conclusion:

Impacts associated with population and housing are considered less than significant.

Mitigation:

No mitigation measures would be required.

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less-Than-Significant Impact	No Impact
14. PUBLIC SERVICES.				
a. Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:			X	
i. Fire protection?			X	
ii. Police protection?			X	
iii. Schools?			X	
iv. Parks?			X	

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less-Than-Significant Impact	No Impact
v. Other Public Facilities?			X	

Discussion of Checklist Answers:

The project is located within the city limits of Grass Valley, and within the service boundaries of the City. The project would be served by the City of Grass Valley Fire and Police Departments. With proper fire prevention measures as required under the Uniform Building Code and Uniform Fire Code, the project is not expected to significantly impact Fire Department services. Payment of new development fees will address the project's impact on City Fire and Police Department Services. The project will be required to pay the adopted school impact fees and therefore, not impact schools. The project will not require the need for new maintenance of new public facilities or roads. No significant impact on public services is anticipated with this project. No mitigation measures would be required for the public services section.

Conclusion:

Impacts associated with public services are considered less than significant.

Mitigation:

No mitigation measures would be required

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
15. RECREATION. Would the Project:				
a. Increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?				X
b. Include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?				X

Discussion of Checklist Answers:

The development of proposed project would not have a significant impact on the recreational opportunities or demand in the City of Grass Valley. The City's Parks and Recreation Master Plan does not show any planned park sites on the property although there is a proposed trail which connects Whispering Pines Lane out to East Bennett and along to Kidder Avenue. While the City Park and Recreation Master Plan has been adopted, a formal Trail Master Plan and Design Guidelines have not been defined

Conclusion:

With no staffing or funding, the Trails Master Plan and Design Guidelines are considered only recommendations. The trail system would need to be implemented in order to allow commercial and residential areas to be connected. Impacts associated with recreation are considered less than significant.

Mitigation:

No mitigation measures would be required for the recreation section.

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
16. TRANSPORTATION/TRAFFIC Would the proposal:				
a. Cause an increase in traffic which is substantial in relation to the existing traffic load and capacity of the street system (i.e., result in a substantial increase in either the number of vehicle trips, the volume to capacity ratio on roads, or congestion at intersections)?			X	
b. Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roads or highways?			X	
c. Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?				X
d. Substantially increase hazards due to a design feature (e.g., sharp curves of dangerous intersections) or incompatible uses (e.g., farm equipment)?				X
e. Result in inadequate emergency access?				X
f. Result in inadequate parking capacity?				X
g. Conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., bus turnouts, bicycle racks)?				X

Discussion of Checklist Answers:

Based on the Traffic Analysis prepared by TJKM on January 25, 2011, the project is expected to generate 56 trips occurring during the p.m. peak hour. The City's traffic policy requires traffic reports for projects that are estimated to generate more than 50 p.m. peak hour vehicle trip and are not consistent with the General Plan. The traffic analysis concluded that the intersections that would be utilized with this project would continue to operate at an acceptable Level of Service "C" (LOS) and would not be considered significant per the City of Grass Valley Guidelines. Projects that generate less than this are considered less than significant but will pay AB 1600 traffic fees. The project does not affect air traffic patterns. No increase in traffic hazards are expected and the property has adequate emergency access. The Development Code requires 136 parking spaces for the uses on site, and the applicant proposes 169 spaces. The project does not conflict with any adopted policies, plans or programs.

Conclusion:

The Traffic Analysis/Study showed the traffic impacts to be less than significant which would not require a Comprehensive Traffic Impact Study. It is recommended and will be required by the City of Grass Valley that all applicable associated traffic fees for Regional Transportation and Grass Valley transportation be paid at time of building permit issuance. Impacts associated with traffic and circulation are considered less than significant.

Mitigation:

No mitigation measure required.

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
17. UTILITIES AND SERVICE SYSTEMS. Would the project:				
a. Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?				X
b. Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				X
c. Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could have significant environmental effects?			X	
d. Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements necessary?			X	
e. Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?				X
f. Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?				X
g. Comply with federal, state, and local statutes and regulations related to solid waste?			X	

Discussion of Checklist Answers:

The project will require connections to the existing water, sewer, storm drainage power, and communication systems. All these systems and utilities are available to the site. The property is within the Nevada Irrigation District service area and will need to be annexed into the district boundary. Waste Management provides solid waste service to the City. The project will be connected to the City's sewer system. The City has approved development projects involving potential increased demands on the City's waste water treatment plant, recognizing the potential limits on sewer availability. However, specific approval to connect to the sewer system must be obtained from the City at the time of building permit issuance. The project will be required to provide for on-site storm water detention pursuant to the City's standard conditions of approval.

Conclusion:

No significant impact on utilities is anticipated with this project.

Mitigation:

No mitigation measures would be required for the utility services section.

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
18. MANDATORY FINDINGS OF SIGNIFICANCE				
a. Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife species population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?		X		
b. Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, and the effects of probable future projects)				X
c. Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?			X	

Discussion of Checklist Answers:

As discussed in sections 1 through 16 above, the project, as mitigated, will not impact habitat of a fish, wildlife or plant species, nor will it create substantial adverse impacts on human beings. The project as mitigated, it is not expected to create significant impacts on the environment. The project will not create cumulative impacts with the inclusion of the mitigation measures, by complying with the City's development standards, and by paying appropriate AB1600 fees.

Conclusion:

The project, as mitigated, will not create a significant adverse impact on the environment.

REFERENCES: The following references used in preparing this report have not been attached to this report. The reference material listed below is available for review upon request of the Grass Valley Community Development Department, 125 East Main Street, Grass Valley, CA 95945 (530) 274-4330.

- City of Grass Valley 2020 General Plan and General Plan EIR
- Background Report, City of Grass Valley General Plan Update, November 1998
- Soil Survey of Nevada County, United States Department of Agriculture, Soil Conservation Service,
- Geotechnical Report, by Holdrege and Kull, dated November 8, 2010
- Traffic Analysis Report, prepared by TJKM, dated January 2011
- Whispering Pines Specific Plan and EIR, 1984
- Biological Inventory Report, prepared by Marcus Boles dated September 2007
- Army Corps of Engineer Permit (NWP 39) letter dated May 13, 2010

ATTACHMENTS:

1. Vicinity/Location Map
2. Reduced site plan

Addendum to Mitigated Negative Declaration For Annexation 10PLN-19, Prezone 10PLN-20, General Plan Amendment 10PLN-21, and Development Review Application 10DRC-19

Milco Development: Annexation 10PLN-19, Prezone 10PLN-20, General Plan Amendment 10PLN-21, and Development Review Application 10DRC-19 located on the south side of Whispering Pines Lane, APN's 09-680-50, 09-680-53 and 09-680-49.

In accordance with Section 15073.5 of the California Environmental Quality Act, the City of Grass Valley is required to recirculate a negative declaration when the document must be substantially revised after public notice of its availability. However, recirculation is not required if new information is added which merely clarifies, amplifies, or make insignificant modifications to the negative declaration. Under section 15073.5 the City must determine if the change is a substantial revision to the proposed negative declaration, and therefore be recirculated. A substantial revision occurs is when a new, avoidable significant effect is identified or when new mitigation measures are required to address potential new impacts. If the change results in a substantial revision, recirculation of the document is required.

Proposed information to be added to the negative declaration:

1. Page 7, Under Air Quality, after fourth paragraph, Ozone is created by a photo chemical reactive process created when sunlight reacts with reactive organic gasses creating VOC's (volatile organic compounds). There are created primarily outside our air district and then carried into the local area.
2. Page 8, Last sentence above "Conclusion" The largest source of ozone is carried into the Northern Sierra Air District from larger urban areas such as the Sacramento Valley and the Bay Area. Implementation of standard level "B" measures will help to reduce the precursors.
3. Page 8, Construction emissions would generate 61.63 lbs. of Oxides of Nitrogen (NOx) per day and 62.83 lbs. of Reactive Organic Gases (ROG) per day. The potentially significant threshold for emissions is 24lbs per day. If Tier 2 (Level "B") measures are used, the levels produced will be below the significant threshold emission Level "C" of 136 lbs per day.
4. Page17, first paragraph –The project proposes to collect all storm water runoff and direct it through two storm drain conduits into stormceptors and then dispersed into drainage along Whispering Pines Lane and along the south side into natural drainage. Easements will be required for drainage onto neighboring parcels.

Based on the above additions, no subsequent environmental analysis is required because:

1. The changes to the text are minor in nature, not considered substantial, will not result in new significant environmental effects not previously considered, and therefore do not require major revisions to the proposed negative declaration;
2. The new information simply clarifies and makes an insignificant modification to the negative declaration; and
3. None of the proposed mitigation measures would need to be altered to reflect the text changes.

Minor typographical corrections were made

Therefore, the proposed changes are considered minor and would not require recirculation pursuant to the California Environmental Quality Act section 15073.5.

**PG&E Gas and Electric
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General Order 96-B, Section IV**

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