

October 9, 2020

Mr. Dan Tudor Agzone Services, LLC P.O. Box 3202 Paso Robles, California 93446

Subject: Analysis of Potential Wetland Features in the Vicinity of Proposed Cannabis

Cultivation at 11520 Tule Elk Lane, Santa Margarita, San Luis Obispo County,

California

Dear Mr. Tudor:

Kevin Merk Associates, LLC (KMA), at your request, is providing additional biological resources information for the proposed Cannabis cultivation project at 11520 Tule Elk Lane, Santa Margarita, in an unincorporated area of San Luis Obispo County, California (project site). The property is identified by Assessor's Parcel Number 072-301-009, which is located to the north of Highway 58. The purpose of the additional site visit and the following analysis was to evaluate proposed project activities in proximity to potential wetland and swale features identified onsite by PAX Environmental in 2019 (mapped on the Waters Addendum Figures 060719). As we understand, the originally proposed project footprint was sited on a portion of the mapped wetland/swale features, and the project was redesigned during consultation with the California Department of Fish and Wildlife (CDFW) to avoid impacts to their California Fish and Game Code Section 1600 et seq. jurisdictional areas. The repositioning of the cultivation area on this site avoided the features in question, but was still within 100 feet of potential wetlands and required further analysis to ensure the project meets County of San Luis Obispo policies pertaining to Cannabis cultivation.

For detailed project information and biological resources analysis, please refer to the PAX Biological Resources Assessment report from 2019 and the KMA Supplemental Biological Analysis and the updated Existing Conditions Map provided in a letter dated August 12, 2020. The below discussion provides additional information regarding the wetland and swale features identified by PAX in their Waters Addendum Figures in relation to the currently proposed project.

Methods

A field survey was conducted on September 10, 2020 to evaluate the mapped wetland and swale features in relation to proposed project activities. The site visit was conducted from 0930 hours to 1300 hours, and skies were smoky from wildfires in the region. Prior to the site visit, background information and historic aerial photographs were reviewed to locate the features in question and assess land use activities onsite and in the immediate vicinity. During the field survey, site plans, the PAX Waters Addendum Figures and aerial imagery obtained from Google Earth were used to locate the proposed Cannabis cultivation area and the mapped



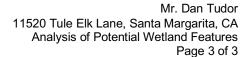
swales and topographic depressions. The entire project area was walked to assess vegetation onsite with special attention to the non-wetland depressions, swales and depressional wetlands mapped by PAX. Once the potential wetland and swale features were located, surface vegetation at each site was analyzed to determine if hydrophytic vegetation was present and the area searched for positive indicators of wetland hydrology. Field methods generally followed those described in the U.S. Army Corps of Engineers' Wetland Delineation Manual (Environmental Laboratory, 1987) and Arid West Supplement (Version 2.0, USACE 2008) to identify and delineate wetlands. Potential wetland features on this site were identified based on the limits of a predominance of hydrophytic vegetation and positive indicators of wetland hydrology such as surface soil cracks and bare soils with biotic or salt crusts. The identified wetland feature located onsite was delineated using a Trimble GeoXH600 GPS unit, and the data were imported into ArcGIS to compare with those features shown on the Addendum Waters Figures that were used in developing the project layout in consultation with CDFW (CDS, February 2020).

Results

The entire cultivation site and surrounding area was composed of dryland grains that had recently been harvested. The remaining hay crop consisted of topped grasses approximately two to four inches in height. The depressional wetland (circular feature) mapped by PAX to the west of the proposed Cannabis cultivation area was located and no wetland plants or indicators of wetland hydrology (i.e., water stained leaves, biotic or salt crusts, surface soil cracks, or sediment deposits) were observed. The hay crop had grown consistent throughout this area, which indicated saturated soils were not present during the growing season. Typically, where wetlands are farmed in this region, the grain crop performs poorly due to the seasonally saturated soils. In these types of agricultural settings, wetlands or areas of increased soil moisture can be identified based on bare soils, the lack or poor growth of the particular agricultural plant, and presence of agricultural weeds that are tolerant of wetter conditions. Please refer to the attached Photo Plate (Photos 1 and 2) for further information.

The circular topographic depression mapped as a wetland by PAX west of the cultivation site was still faintly evident in the dry farmed grain field, but as stated above, no indicators of saturated soils or wetland plants were present. Historic aerial photographs reviewed on Google Earth show this area appears to have supported saturated soils in the past with the last photo showing an area devoid of the grain crop being from 2016. It appears the ongoing grain farming activities, including regular disking and possibly periodic deep ripping, has increased the permeability of the soil at this location, resulting in a uniform hay crop during the 2020 growing season. Based on field observations from the site visit, this area was not functioning as a wetland, but as a non-wetland topographic depression that has adequate surface drainage to support a homogenous grain crop compared to its historic condition observed on Google Earth.

The second wetland feature in question is present along the entrance road to the site, which is southeast of the proposed Cannabis cultivation area. It appears to be part of an historic non-wetland swale/depression system that impounds seasonal surface water from construction of the road. The dryland grain crop was not present in this area because it could not grow due to the saturated soils. The entire feature consisted of bare soils with surface cracks and relatively consistent cover of wetland plants such as of toad rush (*Juncus bufonius*), wooly marbles (*Psilocarphus tenellus*) and alkali mallow (*Malvella leprosa*). A culvert is present under the road





and a smaller wetland feature is present on the east side as shown on the project site plans. Please refer to the attached Photo Plate (Photos 3, 4, 5, and 6) for conditions observed during the site visit. The outer limits of the wetland were delineated in the field using a GPS unit, which confirmed the extent of depressional wetland was accurately mapped on the project plans.

Conclusions

Field observations from September 2020 of the proposed Cannabis cultivation project on 11520 Tule Elk Lane, confirmed a circular area to the west of the cultivation site is not a wetland but a non-wetland topographic depression. This determination was based on the area not supporting any field indicators for wetland hydrology and absence of wetland plants. The consistent cover of the grain crop throughout this area also indicated no prolonged soil saturation during the growing season. While the Waters Addendum Figures prepared by PAX classified this area as a depressional wetland, it is not currently functioning as a wetland and is more accurately classified as a non-wetland topographic depression. As such, this area should receive a 50 foot setback similar to swales and riverine habitats consistent with County policy.

The larger depressional wetland along the existing road was confirmed to still be present in the same location and size depicted on the PAX Waters Addendum Figures. Wetland plants and positive indicators of wetland hydrology were observed in this area, thereby supporting it's classification as a depressional wetland. The wetland limits were delineated in the field to verify the extent of wetland habitat shown on the project site plans was accurate, and that project elements avoid impacts to this area. The depressional wetland should receive a 100-foot setback from the cultivation area compared to the 50 foot setback required for swales, non-wetland topographic depressions and riverine habitats.



Thank you for the opportunity to provide environmental consulting services for this project. I trust the above information is sufficient at this time to support your reporting requirements for the proposed project. Please call or email me if you have any questions or need any additional information.

Sincerely,

Kevin Merk Associates, LLC

Kevin Merk

Principal Biologist

Attachments: Revised Site Plan (CDS, October 2020)

Photo Plate

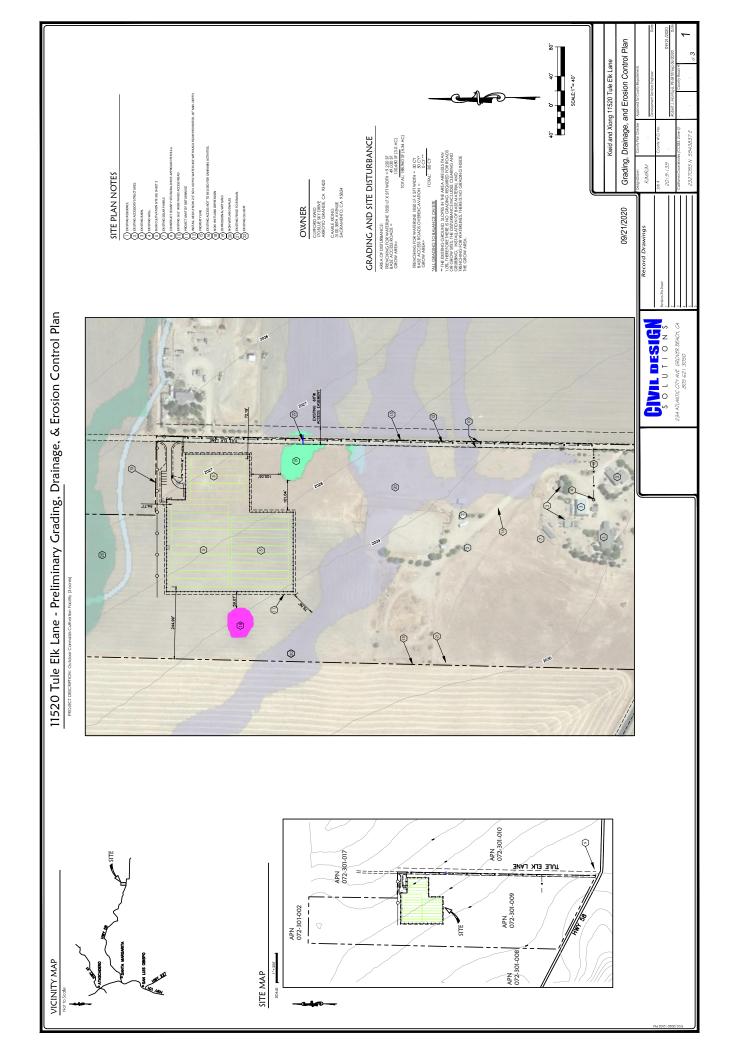




Photo Plate



Photo 1. Northerly view of area to west of cultivation site mapped as a depressional wetland by PAX. While a slight topographic depression was still present, no indicators of wetland hydrology or a predominance of wetland plants was observed at this location.



Photo 2. Southerly view of dryland grain crop in the area of the mapped depressional wetland west of the cultivation area showing no indicators of seasonal wetland habitat. Area is more accurately classified as a non-wetland topographic depression.





Photo 3. Northerly view of wetland formed from road impoundment of seasonal surface water in a swale complex. Note the bare soils where grain crop was not able to persist due to presence of saturated soils.



Photo 4. Southerly view of depressional wetland feature along entrance road composed of bare soils with surface cracks and scattered wetland vegetation still evident in September 2020.





Photo 5. Representative view of depressional wetland feature at existing road showing line of grain crop where soils become saturated and wetland plants become dominant.



Photo 6. Pulled back view of the depressional wetland in relation to the road and dryland grain crop.