NOTICE OF PREPARATION

To: Interested Persons

From: County of Merced

Department of Community and Economic Development

2222 'M' Street, Merced, CA 95340

(209) 385-7654

Contact: Brian Guerrero, Development Services Coordinator

Subject: Notice of Preparation of a Draft Environmental Impact Report for the Azevedo

Dairy Farms LLC project (Conditional Use Permit No. CUP20-010)

Merced County is the Lead Agency pursuant to the California Environmental Quality Act (CEQA) for the proposed Azevedo Dairy Farms LLC project. Merced County will prepare an Environmental Impact Report (EIR) for the proposed project as described in the attached Initial Study. We need to know the views of interested persons, agencies, and organizations as to the scope and content of the environmental information to be included in the EIR. Agencies should comment only on the environmental resources that are within the agency's statutory responsibilities in connection with the proposed project.

The description, location, and the probable environmental effects of the proposed dairy project are contained in the attached materials. A copy of the Initial Study and all project related documents can be obtained at the Community and Economic Development Department, 2222 'M' Street, Merced, CA 95340. This information is also available for download from the Merced County Planning Department website at:

http://www.co.merced.ca.us/index.aspx?nid=414

Due to the time limits mandated by state law, your response must be sent at the earliest possible date, but **not later than 30 days** after receipt of this notice.

Please send your response to Brian Guerrero, Development Services Coordinator, at the Merced County address shown above. If an organization or agency, please include the name of a contact person so that we have the ability to contact you further during the EIR preparation process.

Project Title: Azevedo Dairy Farms LLC

Project Location: El Nido Merced

nearest city County

Project Applicant: Azevedo Dairy Farms LLC

2025 W. El Nido Road

El Nido, CA 95217

ate: f(1)[2] Signature:

Brian Guerrero, Development Services

Coordinator

cc: State Clearinghouse

PROJECT DESCRIPTION / LOCATION

The Azevedo Dairy Farms LLC project would be located on 220± acres of an existing farm totaling approximately 1,750 acres over two parcels in unincorporated Merced County. The project site is located south of West Sandy Mush Road and west of State Route 59 in the El Nido area of unincorporated Merced County.

The project sponsor has applied for Conditional Use Permit (CUP20-010) from Merced County to construct a new dairy on approximately 220 acres of existing cropland to house 15,000 milk cows, 3,000 dry cows, and 10,000 support stock, for a total of 28,000 animals. The proposed project would include the construction of new dairy structures near the center of the project area, including a milking parlor, fourteen freestall barns for milk cows, twelve freestall barns for support stock, forty shade structures for calf hutches, and one commodity barn. The waste management system would consist of three mechanical separators, six wastewater ponds, and two stormwater ponds. With the remainder of cropped acreage on the project parcels, there would be a total of approximately 1,425 acres used for the production of crops and the application of manure process water and/or solid manure.

POTENTIAL AREAS OF ENVIRONMENTAL IMPACT

An initial evaluation of the proposed Azevedo Dairy Farms LLC project indicates that the project has the potential to result in significant adverse effects on the environment for the following issue areas:

- Air Quality and Odors
- Biological Resources
- Cultural Resources and Tribal Cultural Resources
- Greenhouse Gas Emissions and Energy Efficiency
- Land Use Compatibility
- Hazards and Nuisance Insects
- Hydrology and Water Quality

The Environmental Impact Report will evaluate the impacts associated with these issue areas. In addition to the above, the Azevedo Dairy Farms LLC project EIR will also include an analysis of project alternatives and cumulative effects.

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INITIAL STUDY AND ENVIRONMENTAL EVALUATION

Project Title: Azevedo Dairy Farms LLC

Conditional Use Permit No. CUP20-010

Project Location: Southwest of the Intersection of State Route 59 and

West Sandy Mush Road El Nido, CA 95317

Lead Agency Name and Address: Merced County

Community and Economic Development Department

2222 'M' Street Merced, CA 95340

Contact Person and Phone Number: Brian Guerrero, Development Services Coordinator

Phone: (209) 385-7654

General Plan Designation: Agricultural (Merced County General Plan)

Zoning: A-1, General Agricultural (Merced County Zoning)

1. DESCRIPTION OF PROJECT

The project under evaluation in this Initial Study (IS) is the construction and operation of a new dairy facility on a site currently used as cropland located in rural Merced County, north of the community of El Nido. This Initial Study focuses on whether the proposed project may cause significant effects on the environment. In particular, consistent with Section 21083.3 of the Public Resources Code, this Initial Study is intended to assess any effects on the environment, which are peculiar to the proposed project or to the parcel on which the project would be located. The Initial Study is also intended to assess whether any environmental effects of the project are susceptible to substantial reduction or avoidance by the choice of specific revisions in the project, by the imposition of conditions, or by other means [Section 15152(d)(2) of the Guidelines for the California Environmental Quality Act (CEQA)]. If such revisions, conditions or other means are identified, they will be imposed as mitigation measures.

This initial study relies on CEQA Guidelines Sections 15064 – 15064.7 in its determination of the significance of environmental effects. According to Section 15064(f), the finding as to whether a project may have one or more significant effects shall be based on substantial evidence in the record, and "[i]f the lead agency determines there is substantial evidence in the record that the project may have a significant effect on the environment, the lead agency shall prepare an EIR".

LOCATION

The project site is located south of West Sandy Mush Road and west of State Route 59 on an existing farm totaling approximately 1,750 acres over two parcels in the El Nido area of unincorporated Merced County. The project's location is within the central California region (see Figures 1 and 2). The main project parcel is identified as Merced County Assessor's Parcel Number (APN) 074-090-035, with additional cropped areas on APN 074-090-036 (see Figure 3). The project site is located in Section 11, Township 9 South, Range 13 East, Mount Diablo Base and Meridian; 37°10′14.63″N, 120°31′5.08″W.

EXISTING SITE CONDITIONS

Physical Setting

The project parcel currently consists of irrigated agricultural lands primarily used for forage crops such as alfalfa. There are existing irrigation wells throughout the project area. Besides irrigated agriculture, the project parcel also contains three (3) existing residences, an equipment yard, and a shop located east of the proposed dairy facilities. The project site is relatively flat, with slopes of one percent or less from east to west. Existing elevations on the project site range from 128 to 136 feet above mean sea level (MSL).

The project site is located within Flood Zone A, which is defined as an area subject to inundation by the 1 percent annual chance flood event, with no Base Flood Elevations (BFEs) or flood depths determined.

PROPOSED PROJECT

The project sponsor has applied for a Conditional Use Permit (CUP20-010) from Merced County to construct a new dairy on approximately 220 acres of existing cropland to house 15,000 milk cows, 3,000 dry cows, and 10,000 support stock (see Table 1). The remainder of the project site would remain in irrigated agriculture for the production of feed for the cows.

Table 1	Proposed Herd at the Azevedo Dairy Farms LLC							
	Milk Cows	Dry Cows	Bred Heifers (15-24 mo.)	Heifers (7-14 mo.)	Calves (4-6 mo.)	Calves (0-3 mo.)	Mature Bulls	Total Animals
Proposed	15,000	3,000	3,000	3,000	2,000	2,000	0	28,000

Note: This evaluation considers maximum buildout.

Source: Nutrient Management Plan (04/13/2021).

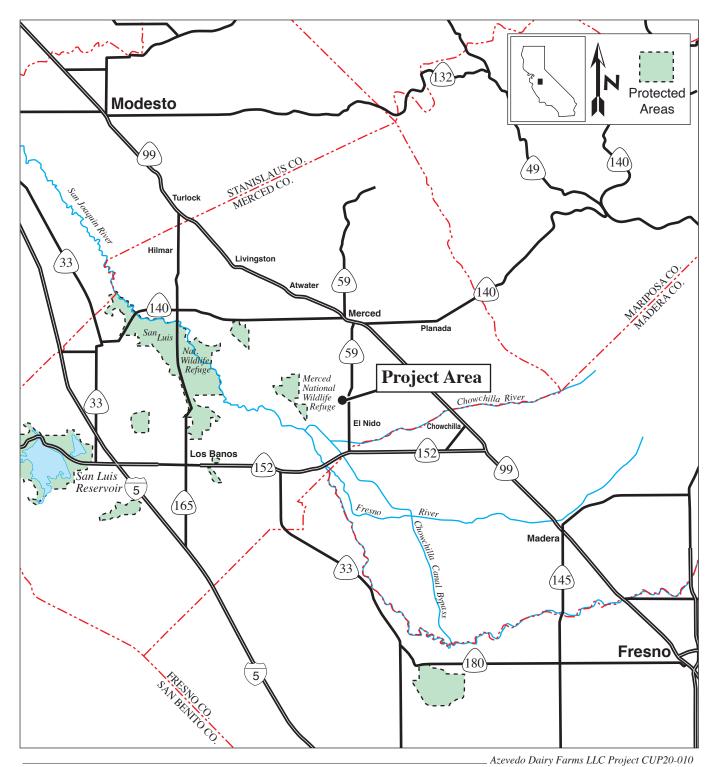
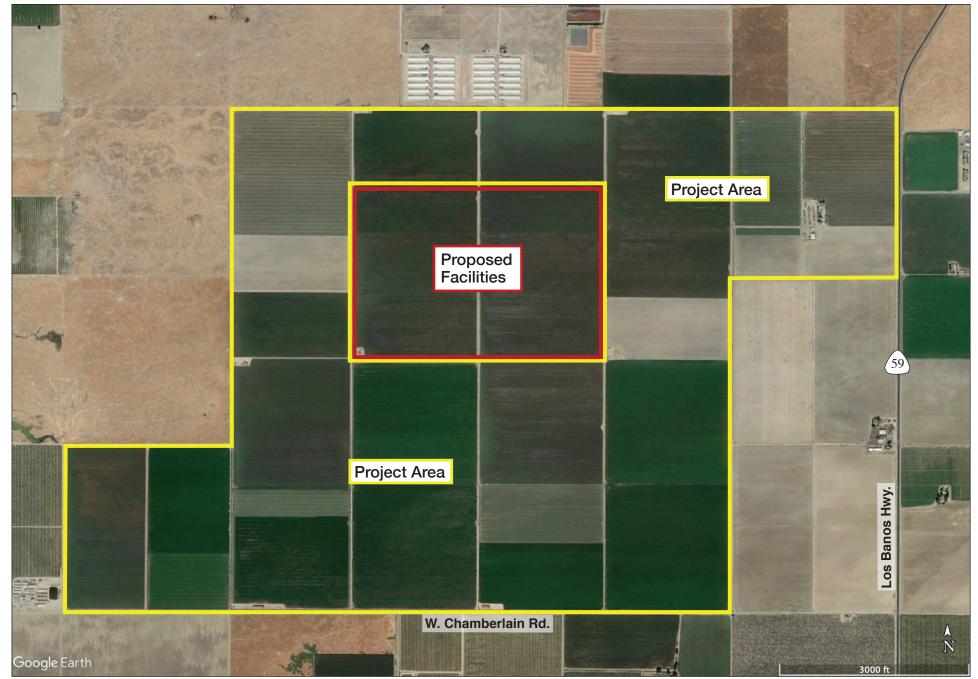
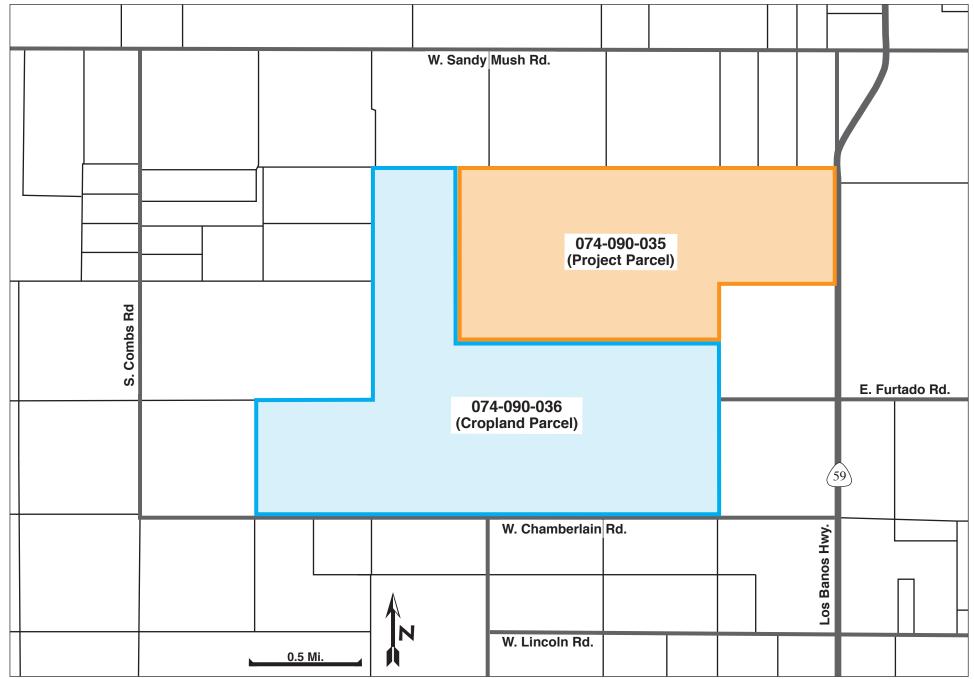


Figure 1Regional Location



Azevedo Dairy Farms LLC Project CUP20-010
Figure 2

SOURCE: Planning Partners 2021



SOURCE: Merced GIS 2020; Planning Partners 2021

Azevedo Dairy Farms LLC Project CUP20-010 Figure 3

The proposed project would include the construction of new dairy structures near the center of the project area, including a milking parlor, fourteen freestall barns for milk cows, twelve freestall barns for support stock, forty shade structures for calf hutches, and one commodity barn. The waste management system would consist of three mechanical separators, six wastewater ponds, and two stormwater ponds. Details of the proposed structures and waste management system include the following:

<u>Buildings</u>	Dimensions
One milking parlor	181,400 square feet
14 freestall barns for milk cows	98,750 square feet each
12 freestall barns for support stock	68,250 square feet each
40 shade structures for calf hutches	6,500 square feet each
1 commodity barn	18,000 square feet

Waste Management System	<u>Dimensions</u>
Stormwater Basin 1	1,000 feet x 250 feet x 14 feet
Stormwater Basin 2	470 feet x 295 feet x 14 feet
Wastewater Storage Pond 1	950 feet x 275 feet x 12 feet
Wastewater Storage Pond 2	950 feet x 275 feet x 12 feet
Wastewater Storage Pond 3	950 feet x 275 feet x 12 feet
Wastewater Storage Pond 4	950 feet x 275 feet x 12 feet
Wastewater Storage Pond 5	950 feet x 275 feet x 12 feet
Wastewater Storage Pond 6	950 feet x 275 feet x 12 feet

Additional features of the facility would include an impervious feed storage area (584,175 square feet) and two impervious manure drying areas (135,000 square feet and 100,000 square feet). See Figure 4 for proposed dairy facilities and Figure 5 for conceptual floor plans of the dairy facilities.

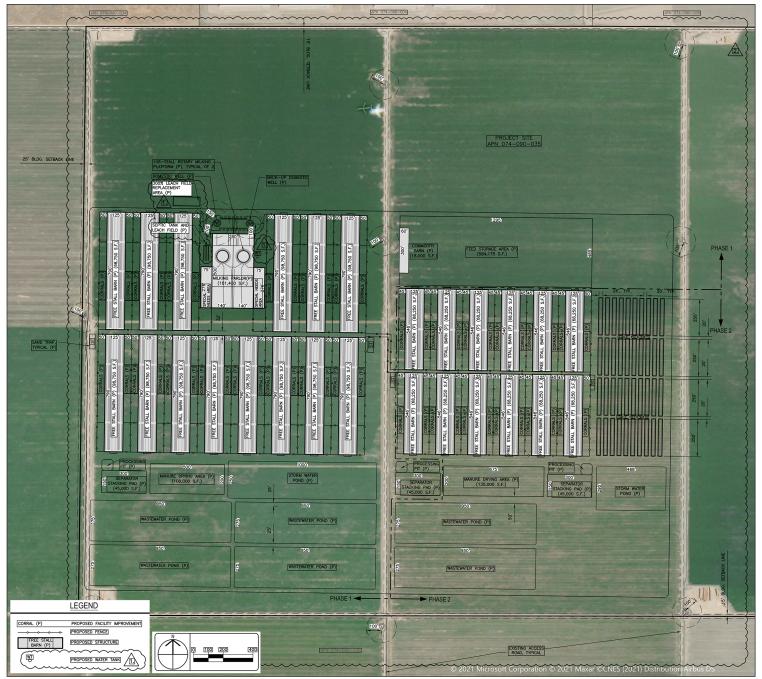
With construction of the proposed dairy, approximately 220 acres of irrigated cropland on APN 074-090-035 would be converted to active dairy facilities. New structures would consist of approximately 2,660,900 square feet of animal housing and farm buildings, 1,145,365 square feet of impervious production area, and 4,350,000 square feet of earthen production area. There would be approximately 900,000 cubic yards of cut and fill that would be balanced onsite.

Two dairy wells would be constructed at the proposed milking parlor to serve the dairy (the second well would be a back-up well). A septic tank and leach field would be

Definition of the Project Site –

For the purposes of this Initial Study, the "project site" refers to the proposed area of active dairy facilities. The larger project also includes cropland associated with the dairy farm. Throughout this document, "project area" refers to all parcels that are part of the project, including the proposed active dairy facilities and dairy farm cropland.

installed at the proposed milking parlor. The existing irrigation wells would continue to be used to irrigate surrounding cropland; no new irrigation wells are proposed. The three (3) existing residences, equipment yard, and shop located east of the proposed dairy facilities would remain with construction of the proposed dairy.



_Azevedo Dairy Farms LLC Project CUP20-010 Figure 4 Proposed Dairy Facilities

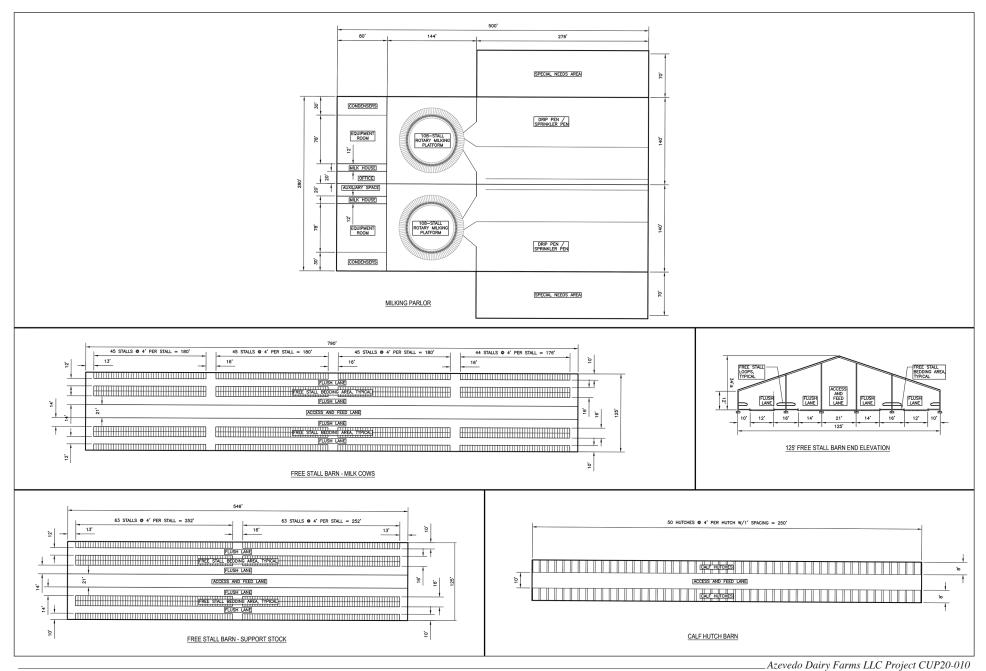


Figure 5

The project includes approximately 1,006 acres of fields located on adjacent parcel APN 074-090-036. Considering cropped acreage on the project parcel, there would be a total of approximately 1,425 acres used for the production of crops and the application of manure process water and/or solid manure¹ (see Figure 6 and Table 2 for land application area field information). Field application of dry manure and wastewater would include broadcast spreading/incorporation and pipeline application. Additional project acreage consists of field roads and ancillary farm uses.

Table 2	Land App	lication Area Fiel	d Information		
Field No.	APN	Cropped Acres*	Crops Grown	Irrigation Source	Harvests
1	074-090-035	58	Oats/Corn	Irrigation Well	2
2	074-090-035	26	Oats/Corn	Irrigation Well	2
3	074-090-035	45	Oats/Corn	Irrigation Well	2
4	074-090-035	19	Oats/Corn	Irrigation Well	2
5	074-090-035	86	Oats/Corn	Irrigation Well	2
6	074-090-035	87	Oats/Corn	Irrigation Well	2
7	074-090-036	87	Oats/Corn	Irrigation Well	2
8	074-090-036	88	Alfalfa	Irrigation Well	7
9	074-090-035	50	Oats/Corn	Irrigation Well	2
11	074-090-036	88	Oats/Corn	Irrigation Well	2
12	074-090-036	88	Alfalfa	Irrigation Well	7
13	074-090-035	48	Oats/Corn	Irrigation Well	2
15	074-090-036	88	Oats/Corn	Irrigation Well	2
16	074-090-036	87	Alfalfa	Irrigation Well	7
17	074-090-036	85	Oats/Corn	Irrigation Well	2
18	074-090-036	82	Oats/Corn	Irrigation Well	2
19	074-090-036	83	Oats/Corn	Irrigation Well	2
20	074-090-036	81	Oats/Corn	Irrigation Well	2
21	074-090-036	76	Alfalfa	Irrigation Well	7
22	074-090-036	73	Alfalfa	Irrigation Well	7
To	tal Acres	1,425			•

APN = Assessor's Parcel Number.

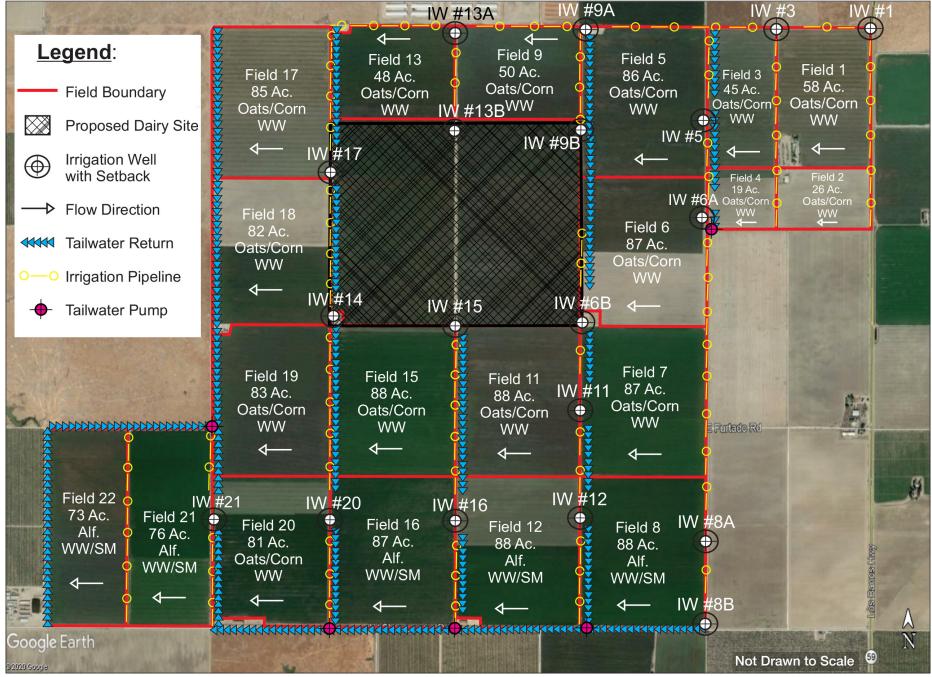
Source: Cardoso Ag Services 2021. Nutrient Management Plan (04/13/2021).

Initial Study – Azevedo Dairy Farms LLC CUP20-010 July 2021

^{*} Approximate acreage. Cropped acreage is based on the Nutrient Management Plan dated 04/13/2021 Nutrients may not be applied to the gross acreage of the parcel listed, but only the cropped acreage listed.

^{**} The NMP site irrigation sources include both Merced Irrigation District (MID) canal surface water and groundwater from onsite irrigation wells. While the NMP indicates that the irrigation wells would supply irrigation water for onsite fields, MID canal surface water can be purchased and applied at the dairy operator's discretion.

While the details of cropland parcels may vary throughout operations, the disposal of wastewater and solid manure and the acreage necessary to properly dispose of manure liquids and solids would be accounted for in an updated project Nutrient Management Plan.



Azevedo Dairy Farms LLC Project CUP20-010

Figure 6 Land Application Areas

The predominant breed of cows to be housed at the dairy is Holstein. Dry manure and almond shells would be used for animal bedding.

The proposed facility would consist of flush and scrape systems that are used to collect and process wastewater and solid manure. Animal wastes from freestall and other concrete-surfaced areas would be flushed with recycled water to the on-site waste management system that consists of mechanical manure separators and six wastewater storage ponds (retention pond). Stormwater runoff from impervious surfaces would be routed to the wastewater ponds. Stormwater from all roofed areas would be routed to the stormwater ponds. Recycled water would be used to clean the milk parlor floor and also would be the source of sprinkler pen water.

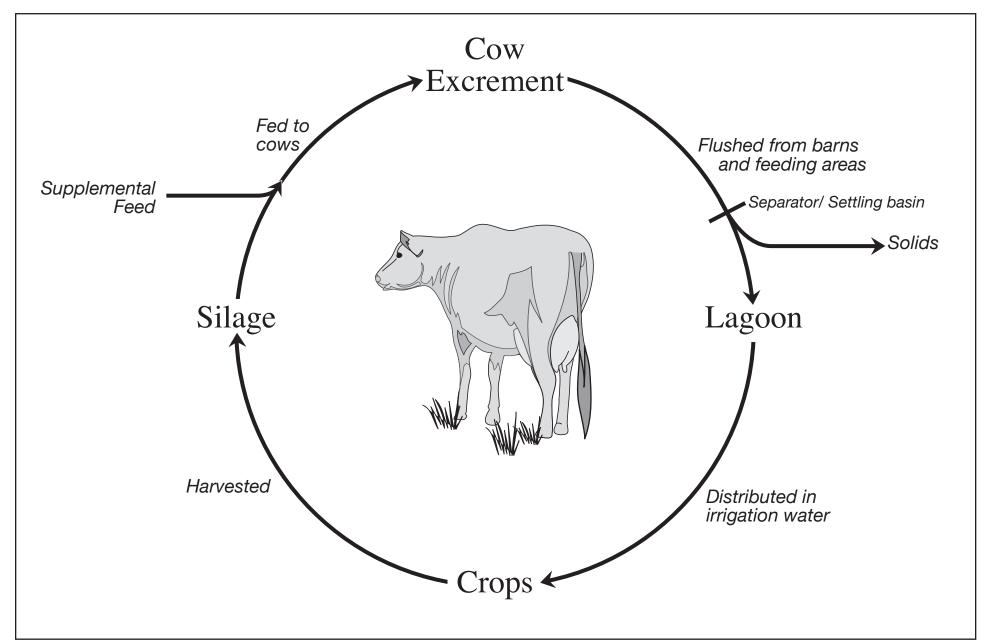
Dry manure would be removed from corrals twice per year with scrapers and/or loaders. Corrals would be regraded as necessary after solids removal to ensure proper drainage. A portion of the dried manure would be stockpiled for bedding. Manure would be composted onsite. All solids removal would be conducted annually by an outside manure hauling company. Manure solids would be separated with 35 percent solids separation efficiency using three (3) mechanical manure separators. As reflected in the Nutrient Management Plan (NMP) prepared for the proposed dairy, approximately 289,971 tons of corral solids and separated solids (approximately 56 percent of the dry manure generated at the dairy) would be exported and applied to off-site fields not owned by the dairy operator². While the exact location of these off-site cropland parcels may vary throughout operations, the disposal of manure at off-site locations and the acreage necessary to properly dispose of manure liquids and solids would be accounted for in the project NMP. Figure 7 illustrates the processes that occur at a dairy farm.

Wastewater would be mixed with irrigation water predominantly supplied by groundwater from existing farm irrigation wells and applied to cropland (see Table 2). The project site has access to Merced Irrigation District (MID) canal surface water, which the dairy operator can purchase and apply at their own discretion. Receiving fields are graded to guide excess applied irrigation water to an existing tailwater return system. Collected tailwater would continue to be returned to the top of cropped fields.

Most of the crops grown on site would be used for dairy feed crops and to supplement imported grain and hay. Crops would include oats silage-soft dough, corn silage, and alfalfa. Feed would be stored in a maximum of six silage piles and in an on-site commodity barn.

The operators of the Azevedo Dairy Farm LLC plan to use a pest control service to treat the dairy site for insects bi-weekly. A Vector Control Plan (dated June 2020 and included with the Waste Management Plan (WMP)) prepared for the project includes Best Management Plans (BMPs) to be implemented in order to minimize fly and mosquito populations, both in the land application areas and at the proposed dairy site.

The farm has a limited land base, which would be reduced with construction of the proposed dairy. With the amount of irrigated land in the area, there is a high demand for dairy manure as an economical fertilizer source for other growers, and the manure to be exported would easily be sold to third-party fertilizer companies.



Azevedo Dairy Farms LLC Project CUP20-010

Hazardous materials are currently stored in and around the existing shop that is east of the proposed dairy site. The types and quantities of these materials have been documented in the Hazardous Materials Business Plan (HMBP) prepared for this facility (submitted to Merced County Division of Environmental Health (DEH) and accepted on 12/8/20). The dairy facility would use and store diesel fuel, motor oil, hydraulic oil, and other petroleum products associated with the operation of heavy equipment. The dairy facility would also use and store cleaning and maintenance materials that may be categorized as hazardous. These hazardous materials would be stored in the milking parlor once it is constructed. The HMBP prepared for existing operations would be updated at that time. There would be one 300-gallon aboveground gasoline storage tank, and a backup diesel generator would be installed at the proposed milking parlor. Other equipment that would be used on site include tractors and trucks for preparing and distributing feed to the herd. Stationary equipment would include pumps for water, wastewater, and existing irrigation water supply and distribution.

Night lighting at the facility would include building-mounted LED lights on the milk barn and animal housing. Additional pole-mounted LED yard lighting would be required in the feed storage area, calf hutch area, separator areas, and wastewater pond areas. The project would require new electrical services to be extended to multiple points on the site.

Operations at the dairy would occur 24 hours per day, 365 days per year, with most operations concentrated during daylight hours. The herd would be milked two times per day and milk would be collected and trucked off-site daily to a creamery for processing. Activity on the site would peak in the spring and fall when feed crops from land application areas are being harvested. With implementation of the proposed project, as many as 35 employees are expected to be on site at any given time.

Surrounding Land Uses

There are offsite single-family residences associated with neighboring agricultural operations surrounding the project site (see Table 3). There are no offsite residences located within the windshed of the dairy (defined as an area of 1,320 feet upwind to 2,640 downwind of the periphery of the animal facility) (see Figure 8).

Table 3	Surrounding Land Uses at the Azevedo Dairy Farms LLC Project Site						
Location	Land Use	General Plan	Zoning				
ON SITE	Dairy / Agriculture / Residences	Agricultural	General Agricultural A-1				
NORTH	Pasture / Agriculture / Animal Confinement Facility / Poultry Facility / Residence	Agricultural	General Agricultural A-1				
EAST	Agriculture / Pasture / Animal Confinement Facility	Agricultural	General Agricultural A-1				
SOUTH	Agriculture / Pasture	Agricultural	General Agricultural A-1				
WEST	Agriculture / Pasture	Agricultural	General Agricultural A-1				

Source: Project Site Visit, November 25, 2020; Project Applicant, August 2020.

The community of El Nido is located approximately 2.25 miles south of the project parcel. The project site is located within the Grasslands Focus Area and the Grasslands Ecological Area boundaries. Deadman Creek runs in a west-east direction approximately 1.75 mile north of the project site. The Merced County John Latorraca Correctional Facility is located over one mile to the northwest of the project site, along the north side of West Sandy Mush Road.



SOURCE: Planning Partners 2021

_Azevedo Dairy Farms LLC Project CUP20-010 Figure 8

Project details such as adjacent land uses and cropping patterns could change over the course of evaluation, and from those existing at the time of this Initial Study. These changes, however, would consist of agricultural and ancillary uses consistent with the 2030 Merced County General Plan, and would not affect the analysis contained in this Initial Study.

Circulation and Parking

Access to the project site is currently by existing dirt roadways off of State Route (SR) 59 and West Chamberlain Road. There would be forty (40) parking spaces provided on the north side of the proposed milking parlor for employees and visitors. The proposed dairy facility would be served by heavy trucks (milk tankers, commodity deliveries), and other vehicles. Daily trips by all classes of vehicle are estimated to be 128.5 average daily trips, including 55.2 heavy truck trips per day (see Table 4). The majority of trips would consist of auto and light truck trips.

Intersection Improvements

The applicant proposes to improve and extend an existing driveway off SR 59 to be the main dairy access (see Figure 9). The existing driveway entrance would be upgraded to California Department of Transportation (Caltrans) commercial standards, and the access road would be improved to meet Merced County Building and Fire Department standards prior to issuance of an occupancy permit. During early consultation, Caltrans provided comments on the project plans, including required improvements to the proposed driveway and SR 59 intersection. The project applicant would be required to complete driveway/roadway improvements and associated encroachment permits as required by Caltrans. The project incorporates the follow roadway improvements:

- 1. The project shall construct a northbound SR 59 dedicated left-turn lane and a southbound SR 59 dedicated right-turn lane to safely allow the project's truck traffic to enter the project site via the SR 59/proposed driveway.
- 2. The intersection of SR 59/proposed driveway shall be designed to accommodate delivery truck turning radius.
- 3. Any work within the State's right-of-way shall require an encroachment permit from Caltrans and must be done to Caltrans engineering and environmental standards, and at no cost to the State.

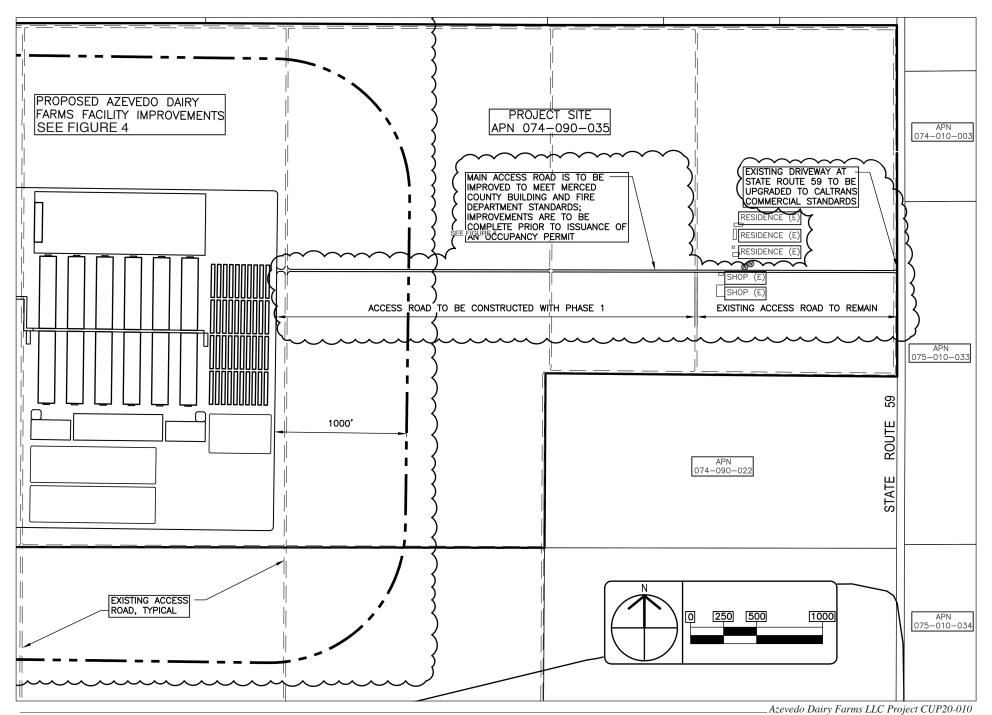


Table 4 Azevedo Dairy Farms LLC Project Trip Generation and Assignment							
Trip Type/Purpose	Daily Trip Generation Factor	Type of Vehicle	Daily Trips	Local Route of Trip			
Residential Dwellings (on site)	2/residence *See Note 1	Auto/Light Truck	6	Driveway off SR 59			
Employees (off-site)	2/employee *See Note 2	Auto/Light Truck	64	Driveway off SR 59			
Milk Tanker	*See Note 3	Heavy Truck	17	Driveway off SR 59			
Commodities transport from off site	*See Note 4	Heavy Truck	10	Driveway off SR 59			
Solid and liquid manure transport to off-site fields	*See Note 5	Heavy Truck	14.2	Driveway off SR 59			
Silage transport	*See Note 6	Heavy Truck	14.0	Driveway off SR 59			
Rendering Service	*See Note 7	Medium Truck	1	Driveway off SR 59			
Veterinarian	*See Note 8	Light Truck	0.3	Driveway off SR 59			
Purveyor sales	2/facility office	Auto/Light Truck	2	Driveway off SR 59			
Total Auto/Light Truck Trips			72.3				
Total Medium Truck Trips			1				
Total Heavy Truck Trips			55.2				
Total Trips			128.5]			

Notes: Trip Generation table based on Planning Partners assumptions and information obtained from project applicant.

- 1. There are 3 residences located at the project site occupied by employees. For a dairy farm operation, a trip generation factor of 2 trips per day was used for both on-site residences and off-site employees.
- 2. There would be 35 total employees with the proposed dairy project, and 32 off-site employees.
- 3. There would be approximately 17 daily milk tanker trips.
- 4. There would be approximately 10 daily feed/commodity trips.
- 5. Commercial manure hauling vehicles would be on-site for approximately one (1) week annually to remove solid manure. Estimated annual trips to remove solid manure are 5,200 trips per year.
- 6. Commercial silage trucks would be on-site for approximately two (2) weeks annually during harvest to haul feed crops. Estimated annual trips to remove haul silage are 5,100 trips per year.
- 7. A tallow truck (i.e., dead animal removal service) would visit the site daily.
- 8. A veterinary truck would visit the site twice weekly.

Source: Planning Partners 2020. Project Applicant December 2020.

PROJECT CONSTRUCTION AND PHASING

The proposed dairy facility would be constructed in two phases beginning immediately upon issuance of a Conditional Use Permit. Construction phasing components are outlined below and shown on Figure 4.

Phase 1, Year 1 after issuance of the CUP (see Figure 4):

- Excavate stormwater and wastewater ponds and rough grade the entire site.
- Construct milking parlor shell and install one (1) 108-stall milking parlor.
- Construct 14 milk cow freestall barns.
- Construct commodity barn.
- Complete Phase 1 stormwater pond.
- Install Phase 1 wastewater ponds (4 in total).
- Install Phase 1 processing pits and separators (2 in total).
- Construct feed storage area.
- Install proposed domestic dairy wells.
- Upgrade existing driveway at SR 59 and construct dairy access road.

Phase 2, Years 4 through 10 after CUP issuance (see Figure 4):

- Construct 12 support stock freestall barns.
- Construct calf hutch area.
- Complete Phase 2 stormwater pond.
- Complete Phase 2 wastewater ponds.
- Install Phase 2 processing pit and separators.

Anticipated construction equipment would include excavators, backhoes, graders, scrapers, tractors, water trucks, construction crew pickups, and concrete trucks.

REQUIRED APPROVALS, OTHER PROCESSES, AND CONSULTATIONS

To allow for the construction of the proposed dairy facility, the applicant has submitted an application for issuance of a Conditional Use Permit (CUP20-010) from the County. It is this action that is the subject of this Initial Study / Notice of Preparation. The Central Valley Regional Water Quality Control Board (CVRWQCB) and the San Joaquin Valley Air Pollution Control District (SJVAPCD) both regulate the proposed dairy. As responsible agencies, they will be required to use the County's environmental document in their consideration of the proposed dairy project.

The CVRWQCB would issue Individual Waste Discharge Requirements (WDR) for the proposed dairy, with regulations similar to those required under the Reissued Waste Discharge Requirements General Order for Existing Milk Cow Dairies (Order R5-2013-0122). The CVRWQCB will require implementation of a NMP for the application of waste to land application areas, and a Waste Management Plan (WMP) to ensure proper compliance with the General Order. The project applicant has submitted a Report of Waste Discharge Form 200 on August 19, 2020 for the proposed dairy project.

An Authority to Construct (ATC) application would be required by the project applicant to issue the Permit to Operate (PTO) from the SJVAPCD for the proposed dairy project. A Conservation Management Practices Plan (CMP) would also be required for the proposed dairy and the associated

cropped acres. According to the project applicant, the SJVAPCD permit application was received by the SJVAPCD on January 11, 2021.

A listing and brief description of the regulatory permits and approvals required to implement the proposed project is provided below. This environmental document is intended to address the environmental impacts associated with all of the following decision actions and approvals.

Merced County and Other Local and Regional Agencies

Merced County

The County has the following permitting authority related to the proposed Azevedo Dairy Farms LLC project:

- Preparation and approval of an Environmental Impact Report Merced County will act
 as the lead agency as defined by CEQA, and will have authority to determine if the
 Environmental Impact Report is adequate under CEQA.
- Approval of the Conditional Use Permit Merced County will consider the proposed dairy project as a "Conditional Use Permit." Conditional Use Permits are discretionary permits for uses of land that require special review to ensure that they are compatible with the neighborhood and surrounding land uses. They are considered more likely to affect surrounding land uses than uses permitted by right in a zoning district or those uses permitted under Administrative Permits.
- Building Permit Merced County will require a building permit for the proposed dairy project.
- Animal Confinement Facility Liquid Manure Retention Pond or Settling Basin Permit (PE 1408) – The Merced County Division of Environmental Health will require a permit for the construction of new liquid manure retention ponds.
- Hazardous Material Business Plan The on-site storage of any hazardous material over threshold quantities (55 gallons; 200 cu. ft.; or 500 pounds) would require a HMBP to be filed with the Merced County DEH. Any quantity of hazardous waste generated on site also requires that a HMBP be filed. The applicant shall obtain and maintain an accurate HMBP with Merced County Division of Environmental Health and maintain compliance with all applicable hazardous material regulations. Any changes to materials stored on-site that are above the threshold quantities must be updated in the facility's HMBP on the California Environmental Reporting System (CERS) within 30 days of commencement.
- Well Permit A well permit application will be considered by Merced County for the two proposed domestic dairy wells.
- Onsite Wastewater Treatment Systems (OWTS) Permit A permit for construction of the proposed OWTS shall be required from DEH.

San Joaquin Valley Air Pollution Control District

- Authority to Construct / Permit to Operate The owner or operator of any facility or activity (including agricultural activities) that emits criteria air pollutants or their precursors above certain thresholds must first obtain an ATC from the SJVAPCD. All new sources exceeding thresholds will be required to apply for an ATC and PTO; this essentially is one permit that is issued in two steps. The applicant first obtains an ATC with specific conditions for implementation during construction; then an inspection is completed and, if all the conditions of the ATC are met during construction, the applicant is issued a PTO. Beyond the ATC and PTO, preparation of an air quality impact assessment (AQIA) would be required, in addition to compliance with other SJVAPCD regulations.
- Conservation Management Practices Plan The owner or operator of any agricultural facility of 100 acres or more, or an animal confinement facility in excess of 500 mature cows (for a dairy operation), must have submitted a CMP plan to the SJVAPCD prior to June 30, 2004 for existing uses, and prior to operation for proposed uses. The project applicant would be required to submit a CMP Plan based on their proposed dairy operations. A CMP plan requires that farm operators implement dust reduction practices for each of the following categories: harvest; unpaved roads; unpaved equipment/vehicle yards; and, other. One CMP Plan must be submitted for each crop currently grown or that will be grown within the two-year time frame of each Plan.

State of California

State agencies have the following permitting authority related to the proposed Azevedo Dairy Farms LLC project:

State of California Department of Transportation - Caltrans

• Encroachment Permit – Any work within the State's right-of-way will require an encroachment permit from Caltrans and must be done to Caltrans engineering and environmental standards. The conditions of approval and requirements for the encroachment permit are issued at Caltrans discretion.

State Water Resources Control Board

- General Construction Activity The State Water Resources Control Board (SWRCB) has adopted a General Construction Activity Storm Water Permit for storm water discharges associated with any construction activity, including clearing, grading, excavation, reconstruction, and dredge and fill activities, that results in the disturbance of at least one acre of total land area.
- Public Water System Permit Because the project would exceed the threshold of 25 or
 more persons on 60 or more days of the year, the property owner shall obtain a public
 water system permit from the State of California State Water Resources Control Board,
 Division of Drinking Water. The facility shall then maintain compliance with that permit
 as long as 25 or more persons are present at the facility on 60 or more days of the year.
 The setback from the public water system wells to active dairy facilities is 150 feet.

Regional Water Quality Control Board - Central Valley Region

• Waste Discharge Requirements – The owner or operator of any facility or activity that discharges, or proposes to discharge, waste that may affect groundwater quality or from which waste may be discharged in a diffused manner (e.g., erosion from soil disturbance) must first obtain a WDR permit from the CVRWQCB. The CVRWQCB regulates discharges from dairies and other confined animal facilities according to the anti-degradation requirements of the Porter-Cologne Water Quality Control Act and the Water Quality Control Plan for the Sacramento River and San Joaquin River Basins. The project applicant has submitted a Report of Waste Discharge for the proposed dairy project. The CVRWQCB will be issuing Individual WDRs for the Azevedo Dairy Farms LLC project. The operator of the Azevedo Dairy Farm LLC plans to join a Representative Monitoring Program, depending on the conditions of the CVRWQCB's waste discharge requirements that will be issued in response to the submitted Report of Waste Discharge. The proponents of the dairy plan to comply with the evolving CVRWQCB Salt Control Program as well.

Federal Government

It is anticipated that no permitting from federal agencies would be required.

APPLICATION OF THE 2030 MERCED COUNTY GENERAL PLAN, MERCED COUNTY ANIMAL CONFINEMENT ORDINANCE, AND MERCED COUNTY ZONING CODE

2030 Merced County General Plan

The 2030 Merced County General Plan guides economic development, land use, agriculture, transportation and circulation, public facilities and services, natural resource, recreation and cultural resources, health and safety, air quality, water, and other matters of public interest and concern. The General Plan is intended to provide for orderly growth, and to convey the community's values and expectations for the future. An EIR for the 2030 General Plan was certified and the General Plan was adopted by Merced County in December 2013. A Draft Background Report of existing environmental conditions within the County was finalized in December 2013 with certification of the General Plan EIR. The Background Report functions as the existing setting section for the General Plan EIR. The EIR, including the Background Report as updated, is used in this Initial Study and will be used in the proposed project EIR, along with other resources, to establish the existing setting for the proposed project. The General Plan EIR will serve as the first tier of environmental analysis for the proposed project, including the evaluation of countywide and cumulative impacts. The 2030 General Plan EIR, including the Background Report, is hereby incorporated by reference pursuant to State CEQA Guidelines Section 15150 as though fully set forth herein. A copy of the General Plan, General Plan EIR, and Background Report can be obtained at the Department of Community and Economic Development, 2222 "M" Street, Merced, CA 95340. These documents are also available for download from the Merced County General Plan website at:

https://www.co.merced.ca.us/100/General-Plan

Merced County Animal Confinement Ordinance and Zoning Code

On October 22, 2002, Merced County adopted revisions to the County's Animal Confinement Ordinance (ACO). Additional revisions to the Merced County ACO and Merced County Code Chapter 18.10 (Zoning Code Agricultural Zones) were adopted on February 8, 2005. (The Merced County ACO is included as Chapter 18.64 of Title 18 Zoning of the Merced County Code³.) A comprehensive update and amendment of Title 18 of the Merced County Code was adopted by the Board of Supervisors on October 22, 2019. The ACO regulates the design, construction, and operation of animal confinement facilities within the county. Because the Ordinance is regulatory rather than permissive, all existing and proposed animal confinement facilities within the county are required to comply with the terms of the Ordinance, including the proposed Azevedo Dairy Farms LLC project.

Following is a summary of major ACO provisions. Copies of the complete text of the Ordinance are available from: the Merced County Division of Environmental Health, 260 East 15th Street, Merced, California 95341; the Merced County Community and Economic Development Department, 2222 'M' Street, Merced, California 95340, and on the County's Internet site at http://www.qcode.us/codes/mercedcounty/

Merced County's ACO provides environmental compliance regulations that affect dairies and other animal confinement facilities in Merced County. The ACO requires that all animal confinement facilities, existing and new, complete and implement a Comprehensive Nutrient Management Plan (CNMP). For the construction of a new confined animal facility, or for modification or expansion of an existing animal confinement facility, the CNMP must be completed prior to construction. The purpose of the CNMP is to ensure a balance between manure/wastewater application and nutrient uptake by crops in order to minimize impacts to groundwater. Since adoption of the ACO, the CVRWQCB has issued new requirements for preparation of a NMP and WMP, which would serve in place of the CNMP as allowed by County Code Chapter 18.64.060K.

In addition to the CNMP, the ACO includes measures designed to increase protection of surface and groundwater resources. Both liquid and dry manure are regulated by the ACO under detailed management requirements. For example, the ACO prohibits the storage or application of manure (liquid or dry) within 100 feet of a surface water body or irrigation well unless adequate protection is provided. Dry manure storage and application is regulated to prevent groundwater or surface water contamination. In addition, the liquid manure management system must include provisions for appropriate cropland application and collection of tailwater from cropland irrigated with liquid manure. The ACO requires that all off-site discharge of drainage water from cropland application areas meet the discharge and receiving water standards of the appropriate irrigation or drainage district and the CVRWQCB.

The ACO also includes design and management provisions for the construction of retention ponds and settling basins to prevent groundwater contamination, obnoxious odors, or excessive fly or mosquito breeding. The retention pond provisions of the ACO apply only to new or expanding animal confinement facilities. The ACO measures for retention ponds and settling basins include

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A comprehensive update and amendment of Title 18 (Zoning) of the Merced County Code was adopted by the Board of Supervisors on October 22, 2019. The requirements of Chapter 18.64 were unchanged by this action.

capacity requirements, maintenance guidelines, size restrictions, and minimum design standards of 10⁻⁶ centimeters per second seepage velocity or less.

To prevent nuisances from odors or vectors, the ACO requires animal confinement facilities to implement both odor control measures and a vector control plan. The need for specific control measures is determined by the Merced County DEH on a site-specific basis. Additionally, the ACO prohibits the location of new animal confinement facilities within one-half mile of urban areas or areas zoned for residential uses, or concentrations of rural residences. To provide additional protection from the nuisances mentioned above, the ACO generally prohibits the location of animal confinement facilities within 1,000 feet of an off-site residence, unless written permission from the off-site resident or property owner is given.

The ACO regulates the design, construction, and operation of animal confinement facilities within the County; all existing and proposed animal confinement facilities within the County are required to comply with the terms of the Ordinance, including the Azevedo Dairy Farms LLC project. To ensure compliance with the provisions of the ACO, the ACO requires routine inspections of animal confinement facilities by the Merced County DEH. Enforcement of the provisions contained in the revised ACO is conducted by Merced County DEH and the Community and Economic Development Department. In addition, the ACO includes penalties for any person who violates or fails to comply with the provisions of the ACO.

TIERING FROM BOTH THE 2030 MERCED COUNTY GENERAL PLAN EIR AND THE MERCED COUNTY ANIMAL CONFINEMENT ORDINANCE EIR

"Tiering" refers to the relationship between a program-level EIR (where long-range programmatic cumulative impacts are the focus of the environmental analysis) and subsequent environmental analyses such as this subject document, which focus primarily on issues unique to a smaller project within the larger program or plan pursuant to Section 15168 of the State CEQA Guidelines. Tiering focuses the environmental review on the project-specific significant effects that were not examined in the prior environmental review or are susceptible to substantial reduction or avoidance by specific revisions in the project, by the imposition of conditions, or by other means.

In the case of the Azevedo Dairy Farms LLC project, the environmental analysis will be tiered from both the EIR for the 2030 Merced County General Plan and the EIR for the Merced County Animal Confinement Ordinance Revision. As the Merced County Animal Confinement Ordinance EIR was completed in 2002, the 2030 Merced County General Plan updates conclusions on the cumulative condition for all project types, including proposed and expanding dairy facility projects such as the Azevedo Dairy Farms LLC project. The tiering concept will be discussed more fully in the EIR for this project.

2. ENVIRONMENTAL ANALYSIS

PURPOSE AND LEGAL BASIS FOR THE INITIAL STUDY

As a public disclosure document, this Initial Study provides local decision makers and the public with information regarding the environmental impacts associated with the proposed project. According to Section 15063 of the CEQA Guidelines, the purpose of an Initial Study is to:

- 1. Provide the Lead Agency with information to use as the basis for deciding whether to prepare an EIR or a Negative Declaration.
- 2. Enable an applicant or Lead Agency to modify a project, mitigating adverse impacts before an EIR is prepared, thereby enabling the project to qualify for a Negative Declaration.
- 3. Assist in the preparation of an EIR, if one is required by:
 - a. Focusing the EIR on the effects determined to be significant,
 - b. Identifying the effects determined not to be significant,
 - c. Explaining the reasons for determining that potentially significant effects would not be significant, and
 - d. Identifying whether a program EIR, tiering, or another appropriate process can be used for analysis of the project's environmental effects.
- 4. Facilitate environmental assessment early in the design of a project.
- 5. Provide documentation of the factual basis for the finding in a Negative Declaration that a project will not have a significant effect on the environment.
- 6. Eliminate unnecessary EIRs.
- 7. Determine whether a previously prepared EIR could be used with the project.

INITIAL ENVIRONMENTAL CHECKLIST

Following each major environmental category and topic in the Initial Study, there are four determinations by which to judge the project's impact. These categories and their meanings are shown below:

"No Impact" means that it is anticipated that the project will not affect the physical environment on or around the project area. It therefore does not warrant mitigation measures.

"Less-than-Significant Impact" means the project is anticipated to affect the physical environment on and around the project area, however to a less-than-significant degree, and therefore not warranting mitigation measures.

"Less than Significant with Mitigation Incorporated" applies to impacts where the incorporation of mitigation measures into a project has reduced an effect from "Potentially Significant" to "Less Than Significant." In such cases, and with such projects, mitigation measures will be provided including a brief explanation of how they reduce the effect to a less-than-significant level.

"Potentially Significant Impact" means there is substantial evidence that an effect is significant, and no mitigation is possible.

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED

The environmental factors checked below would be potentially affected by this project, including several impacts that could result in a "Potentially Significant Impact" or "Less than Significant with Mitigation Incorporated" as indicated by the checklist on the following pages.

	Aesthetics		Agriculture and Forestry Resources	X	Air Quality
X	Biological Resources	X	Cultural Resources	X	Energy
X	Geology / Soils	Χ	Greenhouse Gas Emissions	X	Hazards & Hazardous Materials
X	Hydrology / Water Quality	Χ	Land Use / Planning		Mineral Resources
	Noise		Population and Housing		Public Services
	Recreation		Transportation	Χ	Tribal Cultural Resources
X	Utilities / Service Systems		Wildfire	Χ	Mandatory Findings of Significance

ENVIRONMENTAL SETTING AND EVALUATION OF POTENTIAL IMPACTS

Responses to the following questions and related discussion indicate whether or not the proposed project would have or would potentially have a significant adverse impact on the environment, either individually or cumulatively with other projects. All phases of project planning, implementation, and operation are considered. Mandatory Findings of Significance are located in Section XXI below.

I.	AESTHETICS				
		Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
Ex	ccept as provided in Public Resources Code Section 21099, would	the project:			
a)	Have a substantial adverse effect on a scenic vista?				X
	Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?				X
	In non-urban areas, substantially degrade the existing visual character or quality of public views of the site and its surroundings? (Public views are those that are experienced from a publicly accessible vantage point.) If the project is in an urbanized area, would the project conflict with applicable zoning and other regulations governing scenic quality?			X	
	Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?			X	

ENVIRONMENTAL SETTING

The primary scenic resource within Merced County is the rural and agricultural landscape of non-urbanized areas of the county. The project site is currently in agricultural use (irrigated agricultural lands primarily used for forage crops) and is surrounded by agricultural uses and associated residences. Due to the relatively flat topography, short- and mid-range views are limited to agricultural uses, including a poultry ranch to the north, and pasture, row crops, and orchards. Longrange views feature the Coastal ranges. (Merced County 2013a)

The site appearance is one typical of farmed cropland within a rural, agricultural setting. Viewers outside the project site are limited to motorists on perimeter roadways and residents of surrounding agricultural facilities and operations. Neither the project site nor the views to or from the site have been designated as an important scenic resource by Merced County or any other public agency. No state or locally designated scenic highway has been identified in the vicinity of the project area. (Merced County 2013a)

ENVIRONMENTAL EVALUATION

Question (a) Scenic vista: No Impact. Given the lack of distinctive topographical features in the project vicinity, the project site is not located in an area with scenic vistas. The agricultural-related facilities and associated residences in the vicinity are existing uses, and are considered common to the area. No designated scenic vista is visible from the project site, nor is the site visible from any nearby scenic vista. While the proposed dairy facility would be considerably larger than other confined animal facilities in the area, it would be an agricultural use considered common to the area. Because the proposed project would not affect a scenic vista, no impact would result with implementation of the project, and no mitigation would be required.

Question (b) Scenic resources: No Impact. No state- or locally-designated scenic highway is visible from the project site, nor is the site visible from any nearby designated scenic highway. The nearest designated State Scenic Highway is the section of State Route (SR) 152 that runs from Interstate 5 to the west until it reaches the Santa Clara County line. Its intersection at Highway 5 is approximately 27 miles to the southwest of the project site. Because the project site is not located

within the viewshed of a designated scenic highway, there would be no damage to scenic resources within a scenic highway. No impact would result with implementation of the proposed project, and no mitigation would be required.

Question (c) Visual character: Less-than-significant Impact. Developed agricultural uses in the vicinity range from irrigated cropland to animal confinement facilities. Though the proposed project would be visible from perimeter roads, its appearance would be a common sight in rural areas of Merced County, and the visual effects of animal confinement facilities are reasonable and expected in the context of the County's Agricultural land use designation. While the proposed dairy facility would be considerably larger than other confined animal facilities in the area, it would appear similar to existing uses, and would continue to be considered common and appropriate to the region by most viewers. Since the proposed project is consistent with the existing and planned agricultural uses of the area, implementation of the project would not degrade the existing visual character of the site or surroundings. This would be a less-than-significant impact, and no mitigation would be required.

Question (d) New source of light or glare: Less-than-significant Impact. New night lighting would include building-mounted LED lights on the milk barn and animal housing areas. Additional pole-mounted LED yard lighting would be required in the feed storage area, calf hutch area, separator areas, and wastewater pond areas. While there are residences in the vicinity of the proposed project, which are considered sensitive receptors for nighttime light and glare, County standards require that all new lighting be directed away from surrounding properties, or be properly shaded to eliminate light trespass or glare within a project or onto surrounding properties. Compliance with County requirements would reduce any light and glare effects to less-than-significant levels, and no mitigation would be required.

For a discussion and analysis of potential light and glare impacts to nearby biological resources, see Section IV, *Biological Resources*.

	. AGRICULTURE AND FORESTRY RE	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
W	Vould the project:				
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 non-agricultural use?			X	
b)	Conflict with existing zoning for agricultural use, or a Williamson Act contract?			X	
c)	Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined in Public Resources Code section 4526), or timberland zoned Timberland Production (as defined in Public Resources Code section 51104(g))?				X
d)	Result in the loss of forest land or conversion of forest land to non-forest use?				X
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?				X

ENVIRONMENTAL SETTING

The project site consists of an existing farm with agricultural fields surrounded by agricultural uses and associated residences. The project site and surrounding area is designated Agricultural by the 2030 Merced County General Plan and is zoned A-1 (General Agricultural). The project parcel is subject to a Williamson Act Contract (Ramos, pers. comm., 2021).

According to the California Department of Conservation's (DOC) Important Farmlands Map¹ of Merced County, the area of the proposed project is designated as Unique Farmland (DOC 2016). As defined by the DOC, this designation includes farmland of lesser quality soils used for the production of the state's leading agricultural crops.

The Natural Resources Conservation Service (NRCS) provides agricultural ratings for soils in the project area in the Merced County Soil Survey. The project site consists of irrigated agricultural lands that are designated by the NRCS as Not Prime Farmland (NRCS 2021). For a discussion of project site soil properties, Section VII, Geology and Soils.

There are no forest lands, timberland, or timberland zoned Timberland Production in Merced County (CDFW 2015).

The Important Farmland Map uses a classification system that combines technical soil ratings from the Natural Resources Conservation Service digital soil data and current land use. The minimum land use mapping unit is 10 acres unless specified.

ENVIRONMENTAL EVALUATION

Question (a) Convert farmland to non-agricultural use: Less-than-significant Impact. The project site is located on land that is classified by the California DOC as Unique Farmland. The project area is designated for agricultural use by the 2030 Merced County General Plan. As a result of project construction, approximately 220 acres of existing cropland would be converted to active dairy facilities. The proposed project would represent a continuation of existing agricultural uses, and no conversion of agricultural soils to non-agricultural uses would occur. Because the project site would be maintained in agricultural use, and because construction of the proposed facilities would not convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance to a non-agricultural use, a less-than-significant impact would result. No mitigation would be required.

Question (b) Conflict with zoning for agricultural use: Less-than-significant Impact. The 2030 Merced County General Plan and Zoning Ordinance designate the project area for agricultural uses. The project site is under a Williamson Act Contract. The existing farmland use is consistent with the General Plan and Zoning Ordinance. Adjacent properties also include agricultural uses, including a poultry facility and field crops. No feature of the proposed project would preclude or limit the agricultural use of adjoining parcels. Thus, the proposed project would permit the continuation of existing agricultural uses consistent with County policies, and would not conflict with adjacent agricultural and/or non-agricultural uses. A less-than-significant impact would result, and no mitigation would be required. For a discussion of project compatibility with adjacent residential uses, see Section XI, Land Use and Planning of this Initial Study.

Question (c) through (e) Conflict with zoning for or loss of farmland, forest land, or timber land: No Impact. The project site is not zoned for forest land or timberland, and there are no forest or timber resources located on the project site. Thus, there would be no loss of forest land or conversion of forest land to non-forest use. The proposed facilities would not result in any change to the existing environment that could result in the conversion of farmland to non-agricultural use. Because the proposed project would not conflict with any existing forest land or timberland production zoning, and no changes associated with the project are proposed that would result in the conversion of existing farmland, forest land, or timber lands, no impact would occur. No mitigation would be required.

III. AIR QUALITY					
	Potentially Significant Impact	Less than Significan with Mitigation Incorporated	Less than Significant Impact	No Impact	
Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Would the project:					
a) Conflict with or obstruct implementation of the applicable air quality plan?	X				
b) 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?	X				
c) Expose sensitive receptors to substantial pollutant concentrations?	X				
d) Result in other emissions (such as those leading to odors) adversely affecting a substantial number of people?	X				

Question (a) through (e) Air Quality Impacts: Potentially Significant Impact. The proposed dairy project is anticipated to have potentially significant impacts from the following air emission sources that will be evaluated further in the EIR: construction-related emissions of reactive organic gases, nitrogen oxides and fugitive dust; operation-related emissions of carbon monoxide, ozone precursors, fugitive dust, and hazardous pollutants; and odors from project operations. An Air Quality Impact Assessment, including a Health Risk Assessment and an Ambient Air Quality Analysis, will be prepared and will address emissions from: criteria pollutants; hydrogen sulfide, ammonia; particulate matter and its toxic components (e.g., aluminum, lead, manganese, nickel, etc.); and xylenes, formaldehydes, and carbon tetrachloride from Volatile Organic Compounds.

Naturally Occurring Asbestos

Naturally occurring asbestos is not a potential concern in the project area (USGS 2011). For more information, see Section IX, Hazards and Hazardous Materials.

IX	7. BIOLOGICAL RESOURCES				
		Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
W	Vould the project:				
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 Wildlife or the 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, and regulations or by the California Department of Fish and Wildlife or the U.S. Fish and Wildlife Service?	\mathbf{v}			
c)	Have a substantial adverse effect on state or federally protected wetlands (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 resident or migratory wildlife corridors, or impede the use of native wildlife nursery site?	X			
e)	Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	X			
f)	Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	X			

Question (a) through (f) Biological Resource Impacts: Potentially Significant Impact.

Construction of the proposed facilities and increased activities as a result of the proposed project could result in impacts to special-status species and migratory birds, including light and glare impacts to nearby biological resources. These would be potentially significant impacts that will be evaluated further in the EIR. A reconnaissance-level biological survey of the project site will be conducted to assess existing biological conditions and potential impacts.

V. CULTURAL RESOURCES				
	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
Would the project:				
a) Cause a substantial adverse change in the significance of a historical resource pursuant to § 15064.5?	X			
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to § 15064.5?	X			
c) Disturb any human remains, including those interred outside of formal cemeteries?	X			

Question (a) through (d) Cultural Resource Impacts: Potentially Significant Impact. Cultural Resources investigations show that Native American tribes have historically established communities near rivers and streams in Merced County. While the project site is located approximately 1.75 miles south of the Deadman Creek (Google Earth 2021), from the perspective of prehistoric Native Americans, the area was an integral part of the greater San Joaquin River resource exploitation zone, and thus could have been visited or occupied seasonally or occasionally by various Native American tribes.

Implementation of the proposed project may result in site clearing, grading, and other ground disturbing activities that could adversely affect cultural resources. Significant cultural remains can also exist below the plow zone in Merced County, and construction activities in these undeveloped areas could unearth and potentially damage cultural resources. This would be a potentially significant impact that will be evaluated further in the EIR. A reconnaissance-level cultural resources survey of the project site will be conducted to determine existing archaeological and historical resource conditions and potential impacts.

VI. ENERGY				
	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
Would the project:				
a) Result in potentially significant environmental impacts due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation?	X			
b) Conflict with or obstruct a state or local plan for renewable energy or energy efficiency?	X			

Question (a), (b) Impacts to Energy Efficiency: Potentially Significant Impact. Development of the proposed dairy facility would entail energy consumption that includes both direct and indirect expenditures of energy. The proposed dairy project is anticipated to have potentially significant impacts related to energy efficiency that will be evaluated further in the EIR for this project.

VII. GEOLOGY AND SOILS				
	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
Would the project:				
a) Directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving:				
i) Rupture of a known earthquake fault, as delineated on 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 the loss of topsoil?			X	
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result 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 direct or indirect risks to life or property?			X	
e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?	X			
f) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?			X	

Geology

The Azevedo Dairy Farms LLC project site is located within the Great Central Valley of California. The Central Valley is composed primarily of alluvial deposits from erosion of the Sierra Nevada located to the east and of the Coastal Ranges located to the west. The elevation of the project site is approximately 128-136 feet above mean sea level (MSL). The topography of the project site is generally flat, with varying agricultural field elevations.

Soils

The Natural Resources Conservation Service provides agricultural ratings for soils in the project area in the Merced County Soil Survey. The predominant soil in the proposed project area as classified by the NRCS is Fresno loam, strongly saline alkali, 0 to 1 percent slopes. (NRCS 2021)

Soil properties can also influence the development of building sites, including site selection, structural design, construction, performance after construction, and maintenance. Soil properties that affect the load-supporting capacity of an area include depth to groundwater, ponding, subsidence, shrink-swell potential, and compressibility. The properties that affect the ease and amount of excavation include flooding, depth to a water table, ponding, slope, depth to bedrock or a cemented pan, hardness of bedrock or a cemented pan, and the amount and size of rock fragments.

The project site is comprised of soils that present limitations for development. This soil type is very limited by risk of flooding and shrink-swell potential. (NRCS 2021)

Faults and Seismicity

The project site is not located within a mapped fault zone or landslide and liquefaction zone (DOC 2015; Merced County 2013b). There is no record or evidence of faulting on the project site. The site is located in Seismic Damage Zone II, indicating a moderate severity level with moderate probable damage in the event of severe seismic activity (Merced County 2013c).

REGULATORY SETTING

Merced County regulates the effects of soils and geological constraints on urban development primarily through enforcement of the California Building Code (CBC), which requires the implementation of engineering solutions for constraints to urban development posed by slopes, soils, and geology.

ENVIRONMENTAL EVALUATION

Question (a.i) Earthquake fault: No Impact. The project site is not located within a mapped earthquake fault, and there is no record or evidence of faulting on the project site (Merced County 2013b; DOC 2015). Because no fault traces underlie the project site, no hazardous conditions would result from implementation of the project. There would be no impact.

Question (a.ii) Ground shaking: Less-than-significant Impact. As noted above, the project site is located in Seismic Damage Zone II (Merced County 2013c). Should an earthquake occur in the vicinity of the proposed project site, it could result in moderate damage. Dairies are categorized as a low risk use that is considered suitable in all ground-shaking zones. However, Merced County requires that all new construction comply with the seismic safety requirements of the CBC. Compliance with the CBC would reduce risks on the project site from seismic ground shaking to levels considered acceptable for the State and region. This would be a less-than-significant impact, and no mitigation is required beyond compliance with adopted building standards.

Question (a.iii) Ground failure, liquefaction: Less-than-significant Impact. The project site is not located within a mapped liquefaction zone (DOC 2015). The proposed project would employ standard construction practices and comply with CBC requirements for the State of California. Standard design, construction, and safety procedures would limit soil liquefaction hazards to levels deemed acceptable in the state and region. Adherence with adopted building standards would avoid substantial adverse effects due to the risk of loss, injury, or death involving liquefaction or other seismic-related ground failure. This would be a less-than-significant impact, and no mitigation is required.

Question (a.iv) Landslides: No Impact. The project site is generally flat and is not located near steep slopes with unstable soils that may be susceptible to landslides. Also, the greater project area is not noted for unstable geologic formations susceptible to landslides (DOC 2015). Therefore, the project would not be exposed to potential geologic hazards, including the risk of loss, injury, or death involving a landslide. There would be no impact.

Question (b) Soil erosion: Less-than-significant Impact. Construction of the proposed dairy facilities would occur in the area of existing agricultural fields that have been previously graded. While implementation of the proposed project could result in temporary soil erosion and the loss of top soil due to construction activities, the location where the proposed dairy facilities would be constructed is generally level from previous grading. Minimal modification to the site's existing topography or ground surface relief would be required. Also, the erosion potential for proposed project site soils is rated as slight (NRCS 2021), meaning little or no erosion is likely. This would be a less-than-significant impact, and no mitigation would be required. For a discussion of potential significant effects due to sedimentation during the construction period of the project, see Section X, Hydrology and Water Quality.

Question (c) Unstable geologic unit: Less-than-significant Impact. Construction of the dairy facilities could increase loads on the project site that could cause soil settlement. The project area is not noted for unstable geologic formations susceptible to landslide or ground failure, nor is the project area noted for subsidence² (Merced County 2013d; NRCS 2021). The topography surrounding the active dairy facilities and agricultural field elevations is generally level. Any potential effects from unstable or expansive soils would be minimized through compliance with the Merced County and CBC building standards and additional corrective engineering measures that would be required to be documented during the building permit process, including the submittal of a soils report. For these reasons, the proposed dairy project would not result in soil instability and subsequent landslide, lateral spreading, liquefaction, or collapse. This would be a less-than-significant impact, and no mitigation would be necessary.

Question (d) Expansive soil: Less-than-significant Impact. Expansive soils are soils that shrink and swell in response to changes in moisture. These volume changes can result in damage over time to building foundations, roads, underground utilities, and other structures, if they are not designed and constructed appropriately to resist the changing soil conditions. The main limitations of the soil types found on the project site are flooding risk and shrink-swell potential (NRCS 2021). The Merced County building code, however, requires a soils report for most non-residential structures within Merced County, and additional corrective engineering measures are required as part of the design for proposed facilities. Further, the proposed dairy facilities would not be used for human habitation. Compliance with the CBC requirements and additional corrective engineering measures documented during the building permit process would reduce risks on the project site from geological hazards to levels considered acceptable for the State and region. This would be a lessthan-significant impact, and no additional mitigation would be required beyond compliance with adopted standards and County requirements.

Question (e) Soils adequately support septic system: Potentially Significant Impact. The project includes installation of a septic tank and leach field at the proposed milking parlor. The project site soil type (Fresno loam, strongly saline alkali) has a "very limited" suitability rating as a septic tank absorption field, and a potentially significant impact could result. The installation or modification of any on-site septic system would require compliance with Merced County performance standards and approval by the Division of Environmental Health (Chapter 18.40, Performance Standards). These standards would require that the septic system be properly sized and designed with respect to on-site soil capabilities that would ensure the safe treatment and disposal of

Subsidence is the settling or sinking of land. In Merced County, this is generally resulting from groundwater extraction and drawing down of the groundwater table.

wastewater and the maintenance of groundwater quality. This topic will be further evaluated in the Hydrology and Water Quality chapter of the EIR for the project.

Question (f) Paleontological resource / unique geologic feature: Less-than-significant Impact. According to available information, the project site is not located in an area known to have produced significant paleontological resources (UCMP 2021), nor are there any unique geologic features. Therefore, project construction would not result in the destruction or degradation of paleontological resources or unique geological features. This would be a less-than-significant impact, and no mitigation would be required.

VIII. GREENHOUSE GAS EMISSIONS					
	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact	
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				

Question (a), (b) Greenhouse gas emissions: Potentially Significant Impact. Construction and operation of the dairy project would result in greenhouse gas emissions from direct and indirect sources. The proposed dairy project is anticipated to have potentially significant impacts from greenhouse gases (including methane) that will be evaluated further in the EIR for this project.

IX. HAZARDS AND HAZARDOUS MATERIALS					
		Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
W	ould 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 or excessive noise for people residing or working in the project area?				X
f)	Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?			X	
g)	Expose people or structures, either directly or indirectly, to a significant risk of loss, injury, or death involving wildland fires?				X
h)	Create significant nuisance conditions to the public or the environment through the generation of insects due to project operations?	X			

Animal agriculture, such as a dairy, results in the production of copious amounts of manure. Animal wastes contain zoonotic pathogens, which are viruses, bacteria, and parasites of animal origin that cause disease in humans.

According to the records search of federal, state, and local environmental databases (pursuant to Government Code Section 65962.5), the project site does not contain any history of hazardous site contamination by hazardous substances (CA DTSC 2021).

There are no schools located within one-quarter mile of the proposed project site. The nearest school is El Nido Elementary School, located in El Nido, over 2.5 miles southeast of the project site (Google Earth 2021). The Merced Airport lies approximately seven miles north of the proposed project site; Flying M Ranch, a private aircraft landing strip, is located approximately four miles to the north. The project site is not located within any Airport Influence Area as indicated in the Merced County Airport Land Use Compatibility Plan (Merced County ALUC 2012). According to the 2030 Merced County Emergency Operations Plan, freeways and major county roads, including

those in the vicinity of the project site, would be used as primary evacuation routes in the event of a natural hazard, technological hazard, or domestic security threat.

According to California Fire and Resource Management Program Fire Hazard Severity Zone map, the proposed project area is within the Local Responsibility Area (LRA), with an Unzoned designation. The threat of wildfire hazard in that area is determined to be unlikely (CAL FIRE 2007).

The proposed project site is not in an area identified by the California Geological Survey as having soils that are likely to contain naturally occurring asbestos (USGS 2011). Therefore, no naturally occurring asbestos is expected in on-site soils that could be disturbed during construction; this issue will not be discussed further.

REGULATORY SETTING

Both federal and state laws include provisions for the safe handling of hazardous substances. The federal Occupational Safety and Health Administration (OSHA) administers requirements to ensure worker safety. Construction activity must also be in compliance with the California Occupational Safety and Health Administration regulations.

The Merced County Division of Environmental Health is the lead agency for the enforcement of State Hazardous Waste Control laws and regulations. The DEH maintains standards and guidelines relating to the proper handling and storage of hazardous materials. Facilities that handle and store considerable amounts of hazardous materials (55 gallons for liquids, 500 pounds for solids, or 200 cubic feet for compressed gas) are required to implement a Hazardous Materials Business Plan. The HMBP must include the following: an inventory of all hazardous materials handled at the facility, floor plans showing where hazardous materials are stored, an emergency response plan, and provisions for employee training in safety and emergency response procedures. The DEH also maintains minimum design standards relating to the operation and maintenance of on-site septic systems.

ENVIRONMENTAL EVALUATION

Question (a) Routine use of hazardous materials: Less-than-significant Impact. Construction of the proposed project would include the use, storage, transport, and disposal of oil, diesel fuel, paints, solvents, and other hazardous materials. If spilled, these substances could pose a risk to the environment and to human health. Both federal and state laws include provisions for the safe handling of hazardous substances. According to federal health and safety standards, applicable federal OSHA requirements would be in place to ensure worker safety. Construction activity must also be in compliance with the California Occupational Safety and Health Administration regulations (Occupational Safety and Health Act of 1970).

Nutrient-rich process water would continue to be used to fertilize on-site crops, thereby precluding the need for large amounts of chemical fertilizers and minimizing the potential risk of release within the project area and region. Similarly, dry manure would continue to be accumulated on site, and then exported and applied to off-site fields not owned by the dairy operator as fertilizer and soil amendments in place of chemical fertilizers.

Pesticides used on farm fields would continue to be applied in accordance with the Merced County Pesticide Use Enforcement Program as required in the California Food and Agricultural Code, the California Code of Regulations and the Business and Professions Code. With construction of the proposed dairy, there would be an approximate 220-acre reduction in cropped fields associated with the farm, and an associated decrease in pesticide use.

Previous evaluations of animal confinement facility operations conducted by Merced County (Merced County Animal Confinement Ordinance Revision DEIR, February 2002; Vander Woude Dairy FEIR Staff Presentation to Planning Commission, March 30, 2004) indicate that the following activities and operations at dairies would not result in the release of hazardous substances to the environment:

Potential Source	Explanation	Information Source
Supplements in cattle feed	No complete exposure pathways	Animal Confinement Ordinance DEIR, February 2002, pps. 5-141 to 5-145
Genetically modified crops (grown as forage for dairy animals)	Cattle digestive process breaks down components in feeds, including protein into amino acids, and DNA into nucleic acids, that are then excreted; Unpublished research indicates no adverse effects on dung beetles from ingesting manure from cows feeding on Bt corn; Incomplete exposure pathway GENETICALLY MODIFIED CROPS ARE NOT GROWN AT THE PROJECT SITE	Vander Woude Dairy FEIR, January 2004, pps. 3-42 to 3-43; Staff Presentation to Planning Commission, March 30, 2004, slides 19 and 25
Recombinant Bovine Growth Hormone	bST is a complex protein that is immediately broken down into small, inactive amino acids and peptides and rendered ineffective when it enters a cows digestive system; Incomplete exposure pathway NOT USED AT THE DAIRY	Vander Woude Dairy FEIR, January 2004, pps. 3-42 to 3-43; Staff Presentation to Planning Commission, March 30, 2004, slides 19 and 25
Antibiotics	Use of antibiotics is prohibited for the milking herd SICK ANIMALS ARE SEPARATED FROM THE HERD AND TREATED	Vander Woude Dairy FEIR, January 2004, pps. 3-42 to 3-43; Staff Presentation to Planning Commission, March 30, 2004, slides 19 and 25

No proposed operation or facility of the Azevedo Dairy Farms LLC would alter the results of these previous evaluations regarding the release of hazardous substances to the environment from dairy operations.

Both construction and operation activities must be in compliance with the California OSHA regulations. The dairy facility would use and store diesel fuel, motor oil, hydraulic oil, and other petroleum products associated with the operation of heavy equipment. The dairy facility would also use and store cleaning and maintenance materials that may be categorized as hazardous. The types and quantities of these materials are documented in the HMBP prepared for this facility and filed with DEH. The HMBP was accepted on December 8, 2020. Because the routine transport, use, and disposal of these materials are subject to local, state, and federal regulations, this impact would be considered less than significant.

For a discussion of impacts to water quality as a result of increased export of dry manure and associated pathogens and residual contaminants, see Section X, Hydrology and Water Quality.

Question (b) Accident conditions related to hazardous materials: Less-than-significant Impact after Mitigation. Refiners in the United States started adding lead compounds to gasoline in the 1920s in order to boost octane levels and improve engine performance. Tailpipe emissions from automobiles using leaded gasoline contained lead and resulted in aerially deposited lead (ADL) being deposited in and along roadways throughout California. ADL-contaminated soils still exist along roadsides and medians and can also be found underneath some existing road surfaces due to past construction activities. The highest lead concentrations are usually found within 10 feet of the edge of pavement. The project proposes to improve and extend an existing driveway off SR 59 to be the main dairy access, and will be required to make improvements to SR 59; these construction activities in the roadway may have the potential for disturbance of aerially deposited lead from tailpipe emissions. This would be a potentially significant impact, and will be evaluated further in the EIR for this project.

The following Department of Toxic Substances Control (DTSC) standard recommendations for analysis would not apply to the proposed dairy project: (1) the project site has not been used or suspected to having been used for mining activities, and no on-site mine waste is anticipated; (2) no buildings or structures containing lead-based paints or products would be demolished with implementation of the project; (3) since cut and fill would be balanced on site, there would be no importation of soil to backfill excavated areas, and therefore there would be no risk from contaminated soils; and (4) while the project site has been used for agricultural activities, the DTSC guidance for proper investigation of organochlorinated pesticides applies to proposed new and expanded school sites or other projects where new land use could result in increased human exposure, especially residential use. Therefore, these issues would not apply to the Azevedo Dairy Farms LLC project, and no further analysis would be necessary.

Question (c) Hazardous emissions or materials near a school: No Impact. The nearest school to the animal confinement facilities is located approximately 2.5 miles southeast of the project site in El Nido. Therefore, the proposed dairy project would not result in hazardous emissions or handle hazardous waste within 0.25 miles of an existing or proposed school, and no impact would result.

Question (d) Included on list of hazardous materials sites: No Impact. According to queries of the GeoTracker and Envirostor Data Management Systems, the dairy project site would not be located on a site identified on a list of hazardous materials sites compiled pursuant to California Government Code Section 65962.5. Therefore, implementation of the project would not create a significant hazard to the public or the environment. No impact would result, and no mitigation would be required.

Question (e) Safety hazard or excessive noise near airports: No Impact. There are no existing public airports within two miles of the proposed project site, nor is the project site located within an area regulated by an airport land use plan (Merced ALUC 2012). Therefore, the project would not result in a safety hazard or excessive noise for people residing or working in the project area due to aircraft over-flight. There would be no impact, and no mitigation would be required.

For an analysis of the potential noise effects related to construction and operation of the proposed project, see Section XIII, Noise.

Question (f) Impair or interfere with an adopted emergency response/evacuation plan: Less-than-significant Impact. The project site is located south of West Sandy Mush Road and west of State Route 59. State Route 59 to the east and SR 152 to the south provide regional access to the site. Freeways and major county roads would be used as primary evacuation routes in the event of emergency. The proposed active dairy facilities within the project site are not located near a designated arterial roadway; such roadways are used as evacuation routes. The nearest designated arterial roadway is SR 59, located east of the project site (Merced County 2013e). The project proposes to improve and extend an existing driveway off SR 59 to be the main dairy access, and will be required to make improvements to SR 59 based on Caltrans conditions of approval. However, the proposed driveway improvements and added turn lanes to SR 59 would not interfere with emergency response or evacuation. Therefore, the proposed project would result in a less-than-significant impact, and no mitigation would be required.

Question (g) Exposure to risk involving wildland fires: No Impact. The Fire Hazard Severity Zone map for Merced County indicates that the project area is located in the Non-Wildland / Non-Urban Severity Zone, though parcels to the north of the site are designated as Moderate Fire Hazard Severity Zones (Merced County 2013f). The project site is designated as a Local Responsibility Area – Unincorporated in an area not considered a fire risk (CAL FIRE 2007). Therefore, no hazard would occur related to risk of loss, injury, or death due to wildland fire with implementation of the proposed project. There would be no impact, and no mitigation would be required.

Question (h) Nuisance Insects: Potentially Significant Impact. While the existing agricultural character of the project vicinity tends to minimize incompatibility to existing uses, implementation of the Azevedo Dairy Farms LLC project could introduce an additional source of flies and other insects in the area. Because proposed operations at the dairy could result in an increase in nuisance intensity and frequency, the proposed project may be incompatible with existing uses in the project vicinity. This would be a potentially significant impact, and will be evaluated further in the EIR for this project.

X. HYDROLOGY AND WATER QUAI	ITY			
	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
Would the project:				
a) Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or ground water quality?	X			
b) Substantially decrease groundwater supplies or interfere with groundwater recharge such that the project may impede sustainable groundwater management of the basin?	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 or through the addition of impervious surfaces, in a manner which would:	X			
(i) result in substantial erosion or siltation on- or off-site;				
(ii) substantially increase the rate or amount of surface runoff is a manner which would result in flooding on- or off-site;	n X			
(iii) create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage system or provide substantial additional sources of polluted runoff or				
(iv) impede or redirect flood flows?	X			
d) In flood hazard, tsunami, or seiche zones, risk release of pollutants due to project inundation?	X			
e) Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?	X			

Question (a), (e), (f) Impacts to water quality: Potentially Significant Impact. Dairy facilities pose a number of potential risks to water quality, primarily related to the amount of manure and process water that they generate. Manure and process water from dairy facilities can contribute pollutants such as nutrients (nitrogen), ammonia, organic matter, sediments, pathogens, hormones, antibiotics, and total dissolved solids (salts). These pollutants, if uncontrolled, can cause several types of water quality impacts, including contamination of drinking water, impairment of irrigation systems, and impairment of surface waters. While the proposed waste management systems would act to prevent groundwater contamination, the operation of the Azevedo Dairy Farms LLC project may result in degradation of groundwater resources and potential adverse effects to surface water quality. In addition, solid manure exports to off-site fields associated with the proposed dairy project could result in off-site impacts to water quality. These potentially significant impacts will be evaluated further in the EIR for the proposed project. The EIR will include a water quality characterization and impacts analysis based on water quality data available from both on-site and nearby wells, and nearby water wells.

Question (b) Decrease groundwater supplies: Potentially Significant Impact. Groundwater from on-site groundwater wells and surface water resources currently provide water used for the existing farm operation. The proposed project includes the continued use of existing water resources. Water usage for the dairy could increase with the proposed project. Project impacts to groundwater levels will be evaluated further in the EIR for the proposed project.

Question (c) Substantially alter the existing drainage pattern: Potentially Significant Impact. The project involves the construction of active dairy facilities over an approximate 220-acre area of cropland. Stormwater runoff during the construction period could result in erosion, siltation, and sedimentation of waterways draining the site. Project impacts due to surface drainage and runoff during construction will be evaluated further in the EIR for the proposed project.

Question (d) Flood hazard, tsunami, or seiche zones: Potentially Significant Impact. The Federal Emergency Management Agency (FEMA) provides information on flood hazards for communities based on its Flood Insurance Rate Maps. The project site is located in Flood Zone A, a Special Flood Hazard Area (SFHA) area determined to be subject to flooding by the 1 percent annual chance flood, but for which a Base Flood Elevation (BFE) has not been established (FEMA 2008). The proposed project includes the construction of new active dairy facilities in a 220-acre area. This would place structures in an area determined to be subject to flooding by the 1 percent annual chance flood, and could increase the risk of release of pollutants due to project inundation. These potentially significant impacts will be evaluated further in the EIR for the proposed project. The EIR will include analysis of proposed project in terms of compliance with the CVRWQCB's Reissued Waste Discharge Requirements General Order for Existing Milk Cow Dairies (Order R5-2013-0122), and with requirements of the Merced County Flood Ordinance. Because the project site is located distant from the sea or any large reservoir, the project would not be located in an area subject to inundation hazards from seiche or tsunami.

XI. LAND USE AND PLANNING				
	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
Would the project:				
a) Physically divide an established community?				X
b) Cause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect?	X			

Question (a) Divide an established community: No Impact. The land surrounding the project site and in the vicinity is primarily developed for agriculture. Scattered rural residences are located in the general area of the project; most are associated with agricultural operations. Other than scattered rural residences, there is no established community in the project area. Because the project could not divide a community, no adverse effects would result and no mitigation would be necessary.

Question (b) Land use conflicts: Potentially Significant Impact. The existing land use on the project site is irrigated cropland. There are no off-site residences located within the windshed of the dairy. While the existing agricultural character of the vicinity would tend to minimize incompatibility to existing uses in the project vicinity, implementation of the dairy project could introduce an additional source of odors, flies, and other insects in the area. Because the proposed project may be incompatible with existing uses in the project vicinity, this would be a potentially significant impact to be evaluated further in the EIR.

XII. MINERAL RESOURCES				
	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
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

The majority of the land area of Merced county lies within the Central Valley physiographic province, which is dominated by significant amounts of overburden soils that are alluvial in nature. Less than 30 percent of Merced county lies in higher topographic areas, away from the alluvium and closer to bedrock conditions. Very few traditional hard rock mines exist in the county. The county's mineral resources in the project vicinity are primarily sand and gravel mining operations. (Merced County 2013g)

No significant Mineral Resource Zones or mineral resource production areas are located in or adjacent to the project area. The eastern portion of Merced County includes the following aggregate resource areas: Merced River, Bear Creek, and Mariposa Creek. According to the 2030 Merced County General Plan Background Report (Figure 8-10), the project site is not located in an area of sand and gravel resources (Merced County 2013g). The California Geological Survey indicates that the proposed project is not located within an Aggregate Production Area (CGS 2018). The project site is located in Mineral Resource Zone MRZ-1, an area where available geologic information indicates that little likelihood exists for the presence of significant mineral resources (CGS 1999).

ENVIRONMENTAL EVALUATION

Question (a), (b) Loss of mineral resources of value and/or delineated on land use plans: No Impact. No important mineral deposits, significant Mineral Resource Zones, or existing or previous mines are located on the project site or in the surrounding area. Because there are no mineral resources or resource protection zones in the vicinity of the project site, there would be no loss of availability of known mineral resources. No adverse effect would result, and no mitigation would be required.

XIII. Noise				
	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
Would the project result in:				
a) Generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?			X	
b) Generation of excessive ground-borne vibration or ground-borne noise levels?			X	
c) For a project located within the vicinity of a private airstrip or 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

Characteristics of Noise

Noise consists of any sound that may produce physiological or psychological damage and/or interfere with communication, work, rest, recreation, or sleep. Several noise measurement scales exist that are used to describe noise in a particular location. A decibel (dB) is a unit of measurement that indicates the relative intensity of a sound. The 0 point on the dB scale is based on the lowest sound level that the healthy, unimpaired human ear can detect. Changes of 3 dB or less are only perceptible in laboratory environments. Sound levels in dB are calculated on a logarithmic basis. An increase of 10 dB represents a 10-fold increase in acoustic energy, while 20 dB is 100 times more intense, and 30 dB is 1,000 times more intense. Each 10 dB increase in sound level is perceived as approximately a doubling of loudness; and similarly, each 10 dB decrease in sound level is perceived as half as loud. Sound intensity is normally measured through the A-weighted sound level (dBA). This scale gives greater weight to the frequencies of sound to which the human ear is most sensitive. The A-weighted sound level is the basis for 24-hour sound measurements that better represent how humans are more sensitive to sound at night.

As noise spreads from a source, it loses energy so that the farther away the noise receiver is from the noise source, the lower the perceived noise level would be. Geometric spreading causes the sound level to attenuate or be reduced, resulting in a 6 dB reduction in the noise level for each doubling of distance from a single point source of noise to the noise-sensitive receptor of concern.

Many ways are available to rate noise for various time periods, but an appropriate rating of ambient noise affecting humans also accounts for the annoying effects of sound. Equivalent continuous sound level (L_{eq}) is the total sound energy of time varying noise over a sample period. However, the predominant rating scales for human communities in the State of California are the L_{eq}, the community noise equivalent level (CNEL), and the day-night average level (L_{dn}) based on Aweighted decibels (dBA). CNEL is the time varying noise over a 24-hour period, with a 5 dBA weighting factor applied to the hourly L_{eq} for noises occurring from 7:00 p.m. to 10:00 p.m. (defined as relaxation hours) and 10 dBA weighting factor applied to noise occurring from 10:00 p.m. to 7:00 a.m. (defined as sleeping hours). L_{dn} is similar to the CNEL scale, but without the adjustment for events occurring during the evening relaxation hours. CNEL and L_{dn} are within one dBA of each

other and are normally interchangeable. The noise adjustments are added to the noise events occurring during the more sensitive hours.

Existing Noise Environment

The project site is located in an agricultural area with surrounding rural residential uses and agricultural operations. The primary existing noise sources in the project vicinity are residential sources, agricultural operations, and traffic on nearby SR 59. Other than traffic noise, the predominant noise sources at the proposed project site are characterized as low-intensity residential and agricultural uses, consisting of noise from activities at surrounding residences and infrequent cultivation and harvesting.

Noise sensitive land uses are locations where people reside or where the presence of unwanted sound could adversely affect the use of the land. Residences, schools, hospitals, guest lodging, libraries, churches, nursing homes, auditoriums, concert halls, amphitheaters, playgrounds and parks are considered noise-sensitive uses. The noise level experienced at a sensitive receptor depends on the distance between the source and the receptor, the presence or absence of noise barriers and other shielding devices, and the amount of noise attenuation (lessening) provided by the intervening terrain.

Existing sensitive land uses within the project area include single-family residences and a correctional facility over one mile to the northwest of the project site. There are no off-site residences within the windshed of the dairy. The closest off-site residence is associated with the chicken ranch that lies to the north of the proposed project site. The residence is approximately 0.4 miles north of the proposed active dairy facilities, and approximately 900 feet north of the project parcel boundary.

The Merced Airport lies approximately seven miles north of the proposed project site; Flying M Ranch, a private aircraft landing strip, is located approximately four miles to the north. The project site is not located within any Airport Influence Area as indicated in the Merced County Airport Land Use Compatibility Plan (Merced County ALUC 2012).

REGULATORY SETTING

The 2030 Merced County General Plan Noise Element provides a basis for local policies to control and abate environmental noise, and to protect the citizens of Merced County from excessive noise exposure (Merced County 2013). The County also enforces its Noise Ordinance (Chapter 10.60, *Noise Control*) in the County Code. This ordinance contains noise level standards for residential and non-residential land uses. Specifically, the County Code sets 65 dBA Ldn³ and 75 dB Lmax⁴ standards for residential property, with standards applicable to nonresidential properties 5 dB higher (Chapter 10.60.030 (A)). The County Code (Chapter 10.60.050(A)(2)) further exempts noise sources associated with agricultural activities or agricultural operations on agricultural property from sound level limitations.

According to County Code (Chapter 10.60.040(B)(5)), construction activities that include the operation of any tools or equipment used during construction, drilling, earth moving activities, excavating, or demolition are prohibited from 6:00 p.m. to 7:00 a.m. the following day on weekdays.

³ Ldn = Day/night average sound level during 24-hour day weighted by a factor of three.

⁴ Lmax: The highest root-mean-square (RMS) sound level measured over a given period of time.

They are also prohibited at any hour during weekend days or legal holidays, except for emergency work.

ENVIRONMENTAL EVALUATION

Potential noise impacts can be categorized as those resulting from construction and those from operational activities. Construction noise would have a short-term effect; operational noise would continue throughout the lifetime of the project. Construction associated with the development of the project would increase noise levels temporarily during the construction of the proposed dairy facilities. Operational noise associated with the proposed dairy facility would occur 24 hours per day, 365 days per year.

Question (a) Generate a noise increase in excess of local plan standards: Less-thansignificant Impact.

Construction Noise

Construction of the Azevedo Dairy Farms LLC project may result in a temporary increase in ambient noise levels. The project would be constructed in two phases. Phase 1 would begin following issuance of the CUP, and continue over a period of up to three years. Phase 2 would begin in Year 4 following issuance of the CUP, and continue through Year 10. Construction activities would be considered an intermittent noise impact throughout the construction period of the project. These activities could result in various effects on sensitive receptors, depending on the presence of intervening barriers or other insulating materials. Construction of new dairy structures would take place within a 220-acre portion of the project site, converting approximately 220 acres of cropland to active dairy facilities (see Figure 2).

Based on typical construction equipment noise emission levels (FHWA 2017), noise levels produced during construction could potentially exceed those determined to be acceptable for parcels not zoned for residential land use by the 2030 General Plan (80 dBA Lmax at the property line) (Merced County Code Section 18.40.050 (C)(3). However, Merced County Code Section 18.40.050 (E) acknowledges there may be temporary, elevated noise levels during construction. No feature of the project would cause noticeable levels of ground borne vibration or noise. Because construction activities would be temporary and would not likely result in noise levels that exceed General Plan standards for agricultural areas, construction noise would be considered to be a less-than-significant impact, and no mitigation would be required.

Operational Noise

Situated in a rural area removed from significant noise sources, the noise environment within the project site is dominated by traffic noise from trucks and vehicles on adjacent and private roadways, and operational noise from agricultural uses on the site and on adjacent farms. Existing operational noise is associated with nearby chicken ranch and dairy operations, crop cultivation, and associated agricultural operations. Most noise events are associated with tractor and equipment operation. With project implementation, there would be an increase in existing ambient noise levels. The majority of permanent increases associated with noise would be generated by vehicle and truck trips associated with project operations. Daily trips associated with the proposed project are estimated at a total of 128.5 trips per day, including 55.2 heavy truck trips. Since there is minimal traffic on nearby roadways, traffic noise would not exceed noise levels determined to be acceptable for agriculture by the Merced County General Plan, even with the addition of new dairy traffic. Also, noise levels in

the vicinity of the project site would comply with the Merced County Code noise standard of 70 dB Ldn for agricultural uses (Merced County Code Section 18.40.050 (C)(3)). This would be a less-than-significant impact, and no mitigation would be required.

Operation of the facility would not generate noise levels that would conflict with or exceed standards established by the Merced County General Plan Noise Element, Noise Ordinance, and Right-to-Farm Ordinance. This would be a less-than-significant impact, and no mitigation would be required.

Question (b) Ground-borne vibration or noise: Less-than-significant Impact. Construction activities associated with implementation of the proposed Azevedo Dairy Farms LLC project are not expected to result in excessive groundborne vibration or groundborne noise levels. Additionally, any increases in groundborne vibration during construction activity would be temporary and would cease to occur after project construction is completed. No permanent noise sources that would generate excessive groundborne vibration or groundborne noise levels would be locatedor operated within the project area. Therefore, impacts would be less than significant, and no mitigation would be required.

Question (c) Excessive noise levels near airports: No Impact. The Merced Airport lies approximately seven miles north of the proposed project site; Flying M Ranch, a private aircraft landing strip, is located approximately four miles to the north. Because the project site is not located within any Airport Influence Area, and the nearest public and private airports are located more than two miles from the project site, workers at the proposed project site would not be exposed to excessive noise levels. No impact would result, and no mitigation would be required.

XIV. POPULATION AND HOUSING				
	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
Would the project:				
a) Induce substantial unplanned 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 people or housing, necessitating the construction of replacement housing elsewhere?				X

ENVIRONMENTAL EVALUATION

Question (a) Induce unplanned population growth: Less-than-significant Impact. The Azevedo Dairy Farms LLC project site is located in an agricultural region developed with other animal confinement operations, including other dairies. It would not result in a new or different type of use for the area, nor does the project create or improve any infrastructure serving the site or region. The proposed project is consistent with Merced County land use plans, and no modification of land use and development policies would be necessary to accommodate the proposed dairy project.

Implementation of the proposed project would result in an employment opportunity for approximately 35 employees. In April 2021, the labor force in Merced County totaled 114,100 persons, with an official unemployment rate of 10.9 percent (or 13,100 unemployed persons) (EDD 2021). The labor needs of the project can be accommodated by this existing workforce within Merced County, and would not require the importation of workers. Similarly, any housing demands caused by project employees could be accommodated by existing and planned housing resources within Merced County.

The number of employees resulting from the proposed project would not result in a meaningful increase in the County's population; implementation of the project would not result in the exceedance of population projections or result in any significant growth inducing effects. The proposed project would not be expected to result in substantial new growth in the project vicinity. Therefore, the proposed project would not result in substantial direct or indirect growth inducement, and no adverse impacts would occur. No mitigation would be required.

Question (b) Displace substantial numbers of people or housing: No Impact. There are three residences located on the existing farm, east of the proposed dairy facilities. The proposed project would not impact the existing residences. There would be no impact to available housing units in Merced County. In July 2019, the last year for which data is available, there were 86,388 housing units available (US Census Bureau 2020). Implementation of the project would not displace substantial numbers of people or existing housing units. There would be no impact, and no mitigation would be required.

XV. PUBLIC SERVICES				
	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
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 of any of the public services:				
a) Fire protection?			X	
b) Police protection?			X	
c) Schools?			X	
d) Parks?			X	
e) Other facilities?			X	

Public services provided in the project area include fire, police, hospital, school, library, and park services. The Merced County Fire Department serves the unincorporated areas of Merced County. The Merced County Fire Department Station 83 is located on SR 59 in El Nido, over 2.5 miles southeast of the proposed project site. The Merced County Sheriff's Department provides police protection in the unincorporated areas of Merced County. Three hospitals provide medical services to county residents; Mercy General Hospital in Merced is nearest to the project site. The nearest school, El Nido Elementary School, is located approximately three miles to the southeast, in El Nido. Merced County Library services are also available in the City of Merced. The nearest parks are also located in the City of Merced; park services are discussed in more detail in Section XVI, Recreation. Utility services are discussed in more detail in Section XIX, Utilities and Service Systems.

ENVIRONMENTAL EVALUATION

Question (a) through (e) New or physically altered governmental public service facilities: Less-than-significant Impact. Implementation of the proposed dairy project would include construction of approximately 2,660,900 square feet of new animal housing and farm buildings. The project site is in an area with rural levels/standards of fire protection. In response to this common condition in agricultural areas of the county, the Merced County Fire Department generally imposes requirements for on-site water storage for fire protection. Compliance with measures as set forth by the Fire Department would be required as conditions of approval, and would reduce fire risk and hazard to levels found acceptable by the Merced County Fire Department. Therefore, there would be no increase or change in the demand for fire service that would require the provision of new or physically altered fire facilities.

No feature of the project would result in the need for new or altered facilities for police protection, schools, parks, libraries, or health services. Because no new residences would be constructed, and needed employees would be drawn from the local labor pool, no substantial increase in population is expected to result from the proposed project. No feature of the proposed project would pose unusual police protection demands. Therefore, there would be no increase in the demand for public services such as police facilities, schools, parks, libraries, or health services that would require the construction of new facilities or physically altered facilities.

Because the project would not result require the provision of new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, the proposed project would result in a less-than-significant impact. No mitigation would be required.

XVI. RECREATION				
	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
a) Would the project increase the use of existing neighborhood or regional parks or other recreational facilities such that substantial deterioration of the facility would occur or be accelerated?				X
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?				X

Merced County contains several federal, State, and county parks and recreation areas. Aside from parks in the county, there are many public open space areas as well.

- There are three National Wildlife Refuges located in Merced County: the Merced National Wildlife Refuge, the San Luis National Wildlife Refuge, and the San Joaquin River National Wildlife Refuge. The Azevedo Dairy Farms LLC is located approximately 3.5 miles southeast of the Merced National Wildlife Refuge.
- The State of California Department of Parks and Recreation operates six parks in Merced County. The California Department of Fish and Wildlife operates seven wildlife areas. The nearest state park is Great Valley Grasslands State Park, over 20 miles to the northwest of the project site.
- The Merced County Parks and Recreation Department maintains a variety of parklands throughout the county. County maintained parklands are divided into four basic classes: regional parks, community parks, dual-use parks, and neighborhood parks. There are a total of 21 parks owned and/or operated by Merced County. (Merced County 2013h)

ENVIRONMENTAL EVALUATION

Question (a), (b) Increase park use, construct or expand recreational facilities: No Impact. No existing public recreational facilities are located on the project site or in the vicinity, and implementation of the project would not directly affect the provision or demand for any recreation. There would be no increase in the use of existing neighborhood or regional parks or other recreational facilities that would cause or accelerate the physical deterioration of such facilities. The proposed project does not include recreational facilities, nor does it require the construction or expansion of such facilities. Thus, no significant adverse impacts to recreation would occur with implementation of the proposed Azevedo Dairy Farms LLC project, and no mitigation would be required.

XVII. TRANSPORTATION				
	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
Would the project:				
a) Conflict with a program, plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities?			X	
b) Would the project conflict with or be inconsistent with CEQA Guidelines Section 15064.3, subdivision (b)?			X	
c) Substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?			X	
d) Result in inadequate emergency access?			X	

The proposed project is located to the north of the community of El Nido in unincorporated Merced County. The project site is located south of West Sandy Mush Road and west of State Route (SR) 59 on an existing farm, in an area dominated by agricultural uses.

State Route 59 to the east and SR 152 to the south provide regional access to the site. Access to the project site is currently by existing dirt roadways off of State Route (SR) 59 and West Chamberlain Road.

ENVIRONMENTAL EVALUATION

Question (a) Conflict with local circulation plans: Less-than-significant Impact. The proposed project includes the construction of a new dairy including approximately 2,660,900 square feet of animal housing. Construction of the proposed project would be considered temporary over two phases in an approximate 10-year period. Employee trips and construction deliveries would be considered temporary construction traffic. Following implementation of the proposed project, project operations would result in approximately 128.5 average daily trips for all classes of vehicles.

The proposed project use would be considered consistent with existing General Plan land use designation with issuance of Conditional Use Permit CUP20-010 (see Section XI, Land Use and Planning of this Initial Study). The proposed project would not conflict with any applicable congestion management plan. Because there are no transit, bicycle, or pedestrian facilities in the vicinity of the proposed project, improvements would not result in the modification of any transit, bicycle, or pedestrian travel route. This would be a less-than-significant impact, and no mitigation would be required.

Question (b) Conflict with CEQA Guidelines regarding analysis of transportation impacts: Less-than-significant Impact. Section 15064.3, subdivision (b) of the CEQA Guidelines describes criteria for analyzing transportation impacts. The proposed dairy project would be served by heavy trucks (milk tankers, commodity deliveries), and other vehicles. Daily trips by all classes of vehicle are estimated to be 128.5 average daily trips, including 55.2 heavy truck trips per day (see Table 4 on page 16 of this Initial Study). The majority of trips would consist of auto and light truck trips. Many local agencies have developed screening thresholds to indicate when detailed analysis is needed. As set forth in the Governor's Office of Planning and Research Technical Advisory on

Evaluating Transportation Impacts in CEQA (December 2018), "absent substantial evidence indicating that a project would generate a potentially significant level of VMT, or inconsistency with a Sustainable Communities Strategy or general plan, projects that generate or attract fewer than 110 trips per day generally may be assumed to cause a less-than-significant transportation impact". The advisory defines "vehicle miles traveled" as the amount and distance of automobile travel attributable to a project. Further, the term "automobile" refers to on-road passenger vehicles, specifically cars and light trucks. The project would generate approximately 72.3 car and light truck trips per day, which is less than the suggested screening threshold of 110 automobile trips. Because the project would be considered consistent with the Merced County General Plan, and the project would not generate a significant number of automobile trips and associated vehicle miles traveled, a less-than-significant impact would occur, and no mitigation would be required.

Question (c) Increase hazards due to geometric design feature: Less-than-significant Impact. The applicant proposes to improve and extend an existing driveway off SR 59 to be the main dairy access (see Figure 8). The existing driveway entrance would be upgraded to California Department of Transportation (Caltrans) commercial standards, and the access road would be improved to meet Merced County Building and Fire Department standards prior to issuance of an occupancy permit.

The proposed project would generate truck traffic (milk tanker trucks, feed/commodity trucks, silage trucks, and hauling vehicles) to and from the project site via the SR 59/proposed driveway intersection. Due to the project's truck traffic decelerating in the northbound and southbound SR 59 through lanes to enter the facility via SR 59/proposed driveway, the proposed project's increase in truck traffic volumes would increase impacts to both the northbound and southbound SR 59 through traffic at the SR 59/proposed driveway. In order to minimize the project's impact on traffic safety on SR 59, the project incorporates the follow roadway improvements:

- 1. The project shall construct a northbound SR 59 dedicated left-turn lane and a southbound SR 59 dedicated right-turn lane to safely allow the project's truck traffic to enter the project site via the SR 59/proposed driveway.
- 2. The intersection of SR 59/proposed driveway shall be designed to accommodate delivery truck turning radius.
- 3. Any work within the State's right-of-way shall require an encroachment permit from Caltrans and must be done to Caltrans engineering and environmental standards, and at no cost to the State.

With implementation of the above requirements, there would be no increase to hazards related to a geometric design feature, or due to incompatible uses. A less-than-significant impact would result, and no mitigation would be required.

Question (d) Inadequate emergency access: Less than significant Impact. The Merced County Fire Department maintains standards for access roadways to provide for adequate emergency access. The Fire Department's generally imposes requirements for driveways accessing the parcel, and for fire apparatus access roads. Construction effects on traffic and emergency circulation for the Azevedo Dairy LLC project would be temporary and well managed. Project implementation would not interrupt emergency access to the project site. Implementation of Fire Departments standards for roadway access would result in a less-than-significant impact to emergency access, and no mitigation would be required.

XVIII. Tribal Cultural Resourc				
	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
Would the project:				
Cause a substantial adverse change in the significance of a tribal cultu- section 21074 as either a site, feature, place, cultural landscape that is scope of the landscape, sacred place, or object with cultural value to	geographica	lly defined in	terms of the	size and
a) Listed or eligible for listing in the California Register of Historic Resources, or in a local register of historical resources as defined in Public Resources Code section 5020.1(k), or	X			
b) A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code Section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resources Code Section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.	X			

Question (a), (b) Cause adverse change to tribal cultural resources: Potentially Significant Impact. Implementation of the proposed project would result in site clearing, grading, and other ground disturbing activities that could adversely affect tribal cultural resources. Significant cultural remains can also exist below the plow zone in Merced County, and construction activities in these undeveloped areas could unearth and potentially damage tribal cultural resources. This would be a potentially significant impact that will be evaluated further in the EIR. A reconnaissance-level cultural resources survey of the project site will be conducted; it will include communication with the Native American Heritage Commission and local tribe representatives; however, because no tribes have registered with the County to request consultation on projects in their area, the County will not be offering formal tribal consultation in accordance with AB 52 at this time (Guerrero, B., pers. comm., 2021).

XIX. UTILITIES AND SERVICE SY	
	Potentially Significant Impact Significant Impact Less than Significant Impact No Impact Incorporated No Impact
Would the project:	
a) Require or result in the relocation or construction of new expanded water, wastewater treatment or storm water drain electric power, natural gas, or telecommunications facilities construction or relocation of which could cause significant environmental effects?	nage, , the X
b) Have sufficient water supplies available to serve the project reasonably foreseeable future development during normal, and multiple dry years?	
c) Result in a determination by the wastewater treatment pro which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition the provider's existing commitments?	v
d) Generate solid waste in excess of State or local standards, excess of the capacity of local infrastructure, or otherwise the attainment of solid waste reduction goals?	
e) Comply with federal, state, and local management and red statutes and regulations related to solid waste?	x X

There are three single-family residences and a shop located on the project parcel. Domestic water is provided to these uses by two on-site water wells. Sewer service is provided by existing on-site septic systems. Solid waste collection and disposal are provided by private service.

ENVIRONMENTAL EVALUATION

Because confined animal facilities, including dairies, would not require additional public facilities beyond those typically provided in agricultural areas, implementation of the proposed dairy project would not be expected to increase the demand for public facilities beyond the levels provided and planned for by public utilities.

Question (a), (c) Construct or relocate new service system facilities, sufficient water supply, adequate wastewater treatment capacity: Less-than-significant Impact. Two dairy wells would be constructed at the proposed milking parlor to serve the dairy (the second well would be a backup well). The existing irrigation wells would continue to be used to irrigate surrounding cropland; no new irrigation wells are proposed. Based on the number of proposed employees, the dairy operation would be required to obtain a Public Water System Permit. Prior to crossing the threshold of 25 or more persons on 60 or more days of the year, the property owner shall obtain a public water system permit from the State of California State Water Resources Control Board, Division of Drinking Water. The facility shall then maintain compliance with that permit as long as 25 or more persons are present at the facility on 60 or more days of the year. The permit requires demonstration that sufficient water is available from the water system's sources and distribution storage facilities to provide adequate water service. There would be no change or impact to community-based water supply systems.

A septic tank and leach field would be installed at the proposed milking parlor. The installation or modification of any on-site septic system would require compliance with Merced County performance standards and approval by the DEH (Chapter 18.40, Performance Standards). These standards would require that the septic system be properly sized and designed with respect to on-site soil capabilities that would ensure the safe treatment and disposal of wastewater and the maintenance of groundwater quality. Although the proposed dairy expansion would involve the construction of a septic system, there would be no change or impact to community-based wastewater treatment systems. For a discussion of dairy wastewater disposal and compliance with CVRWQCB requirements, see Section X, *Hydrology and Water Quality*.

Stormwater from all roofed areas would be routed to the stormwater ponds. All other stormwater generated at the project site from proposed areas with impermeable surfaces would be collected and routed to the proposed wastewater management system. Therefore, no adverse effects to storm drainage are expected, and no needs for, or modifications to, storm drainage systems in the project vicinity are necessary. For more information regarding storm drainage, see Section X, *Hydrology and Water Resources*, above.

The proposed dairy would rely on additional existing utilities, including electrical, gas, and telecommunication services. The project would require new electrical services to be extended to multiple points on the site. It is anticipated that no modification to the electric power system would be required.

Based on the information above, implementation of the proposed dairy project would not result in the relocation or construction of new or expanded water, wastewater, storm water drainage, electric power, natural gas, or telecommunications facilities, the construction of which would cause significant environmental effects. This would be a less-than-significant impact, and no mitigation would be required.

Question (b): Potentially Significant Impact. Water usage for the dairy could increase with the proposed dairy project. This would be a potentially significant impact to be evaluated further in the Hydrology and Water Quality EIR chapter for the proposed project. For additional information regarding the project's water use and supplies, see Section IX, *Hydrology and Water Quality*, above.

Question (d), (e) Solid waste: Less-than-significant Impact. The proposed project consists of construction of dairy facilities. The provision of solid waste collection service to serve the proposed project would be subject to the normal tariffs and requirements of the service provider, and would not result in the need for any major new systems or substantial alterations to these utility systems. It would not generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals. There would be no change to existing conditions that would result in non-compliance with federal, state, and local management and reduction statutes and regulations related to solid waste. This would be a less-than-significant impact, and no mitigation would be required.

XX. WIL	DFIRE				
		Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
If located in or near state responsibility areas or lands classified as very high fire hazard severity zones, would the project:					
	y impair an adopted emergency response plan or evaluation plan?				X
wildfire risk	e, prevailing winds, and other factors, exacerbate is, and thereby expose project occupants to pollutant ons from a wildfire or the uncontrolled spread of a				X
infrastructu sources, po	installation or maintenance of associated re (such as roads, fuel breaks, emergency water wer lines or other utilities) that may exacerbate fire may result in temporary or ongoing impacts to the at?				X
downslope	ple or structures to significant risks, including or downstream flooding or landslides, as a result of t-fire slope instability, or drainage changes?				X

According to California Fire and Resource Management Program Fire Hazard Severity Zone map, the proposed project area is within the Local Responsibility Area, with an Unzoned designation. The threat of wildfire hazard in that area is determined to be unlikely. (CAL FIRE 2007)

Question (a) through (d) Wildfire: No Impact. The project site in not located in or near state responsibility areas or lands classified as very high fire hazard severity zones. It is located in an existing low-density agricultural area, and the threat of wildland fire has been determined to be unlikely (CAL FIRE 2007). Because the proposed project is not located in or near a State Responsibility Area nor on lands classified as very high fire hazard severity zones, no impact would occur and no mitigation would be required.

XXI. MANDATORY FINDINGS OF SIG				
	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
a) Does the project have the potential to substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially 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, the effects of other current 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			

Question (a) Degrade quality of the environment, and (b) Cumulatively considerable impacts: Potentially Significant Impact. As discussed in this Initial Study, the proposed Azevedo Dairy Farms LLC project has the potential to exceed SJVAPCD thresholds for criteria air emissions; impact biological, cultural, and tribal cultural resources; impact energy efficiency, affect global climate change due to greenhouse gas emissions; have soils incapable of adequately supporting the use of septic tanks; impact hydrology and water quality; result in odor and nuisance insect conditions; and require increased water supplies. These would be potentially significant impacts to be evaluated further in the EIR for the Azevedo Dairy Farms LLC project.

In addition, the proposed project may contribute to cumulative effects in these areas. The project has been determined not to have significant project level effects for any additional environmental issue. Therefore, implementation of the project would not contribute to any cumulative effects in these other areas. Because of potential cumulative impacts to the areas listed above, such impacts will be evaluated further in the EIR for the proposed project.

Question (c) Adversely affect human beings: Potentially Significant Impact. Because of the potential environmental impacts identified in this Initial Study, the proposed Azevedo Dairy Farms LLC project may have the potential to cause substantial adverse effects on human beings. This would be a potentially significant impact to be evaluated further in the EIR for the proposed project.

3. Preparers of the Initial Study

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4. LITERATURE CITED

The following documents were referred to as information sources during preparation of this document. They are available for public review at the web addresses shown after the listing. All documents without an Internet address are available at the County of Merced, Community and Economic Development Department 2222 'M' Street, Merced, California 95340.

ALUC, see Merced County Airport Land Use Commission

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CDFW. See California, State of. Department of Fish and Wildlife.

CEQA. 2014 California Environmental Quality Act (CEQA) Statute and Guidelines. CEQA (Public Resources Code 21000–21177). CEQA Guidelines (California Code of Regulations, Title 14, Division 6, Chapter 3, Sections 15000–15387)

CGS. See California, State of. Department of Conservation. California Geological Survey.

DOC. See California, State of. Department of Conservation.

DOF. See California, State of. Department of Finance.

DTSC. See California, State of. Department of Toxic Substances Control.

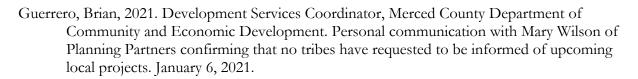
EDD. See California, State of. Employment Development Department.

EPA. See United States, Environmental Protection Agency.

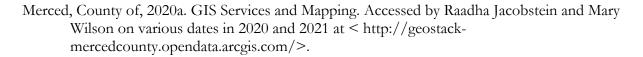
FHWA. See United States, Department of Transportation. Federal Highway Administration.

FIRM. See United States, Federal Emergency Management Agency.

Google Earth 2021. Aerial Imagery accessed by Mary Wilson and Raadha Jacobstein from November 2020 to February 2021.



 , 2020. Perso	onal comm	unication	from A	ugust 2	2020 to	December	2020 with	ı Raadha
Jacobstein,	, Planning l	Partners,	regardin	g proje	ect detai	ls.		



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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 applicant. A NEGATIVE DECLARATION will be prepared.

X 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 that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Signature

Date

Brian Guerrero

Development Services Coordinator

Merced County

Community and Economic Development Department

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