

SAN FRANCISCO DISTRICT

PUBLIC NOTICE

Project: Meyer Warehouse Expansion

NUMBER: 1994-207530N PROJECT MANAGER: Justin Yee DATE: 29 DEC 2008 PHONE: 415-503-6788 **RESPONSE REQUIRED BY: 29 JAN 2008**

Email: Justin.J.Yee@usace.army.mil

INTRODUCTION: Mr. Mike Rummelhoff (Meyer Corporation U.S., 1 Meyer Plaza, Vallejo, California 94590, 707-551-2716), through his agent Danea Gemmel (Gemmel Consulting, 4979 Clayton Road, Fairfield, California 94534, 707-816-0706), has applied for a Department of the Army (Corps) permit to expand an existing warehouse with new buildings, to consolidate office, storage, and distribution facilities on a 59 acre site located southeast of the intersection of Beck Avenue and Highway 12, west of Ledgewood Creek, and north of the Union Pacific Railroad, in the City of Fairfield, Solano County, California (Assessors Parcel Numbers: 0032-010-420, 430, 440, 450, 460, 470). Figure 2 depicts the Site Location. This application is being processed pursuant to the provisions of Section 404 of the Clean Water Act (33 U.S.C. Section 1344).

2. PROPOSED PROJECT:

Project Site: The project is located in southwest Fairfield in an unsectioned portion of Township 5, North Range 2 West on the Fairfield South, California 7.5 minute USGS Quadrangle (Figure 2). The site is on the southwest of the City if Fairfield's urban development area, and lies to the northwest of large tracts of primarily undeveloped and agricultural lands, including Suisun Slough and Grizzly Bay to the south.

The project site had been divided into 4 parcels early in the development, according to a preliminary delineation map dated June 24, 1997. The southwest parcel was developed in 1997, which is the existing

warehouse. The other three parcels are undeveloped, other than grading done in 2002. The parcels have since been subdivided into 6 parcels.

The site is relatively flat grassland, dominated with non-native plant species such as hare barley (Hordeum murinum ssp. leporinum) and Italian ryegrass (Lolium multiflorum). Wetlands were concentrated mostly in the southeast, marked by shifts from the barley and ryegrass to coyote thistle (Eryngium vaseyi) and annual semaphore grass (Pleuropogon californicus), and surface hydrology indicators. The site generally drains to the south, into Ledgewood Creek, including a remnant stream channel eventually joining the creek. Ledgewood Creek is a perennial water body, flowing south and east just beyond the project area boundary. Before changing ownership, the site was historically used for grazing/agricultural activities and for many years was regularly graded and disked.

Project Description: The proposed project would expand the existing 363,400 square foot (sq ft) warehouse with new buildings, to include a 164,900 sq ft storage facility with a new Automated Storage Retrieval System (ASRS), a 133,550 sq ft Automatic Distribution System (ADS) facility, creating a combined receiving, storage, and distribution facility of approximately 661, 800 sq ft. The nature of the ASRS technology requires that the new facility be in-line with the existing warehouse. In addition to the ASRS and ADS facilities, a seven story, 210,000 sq ft office complex, a four story parking structure, associated

storage, and distribution facility parking lanes for truck traffic, water quality/storm water treatment and detention facilities, and other associated infrastructure and support facilities would also be constructed. See Figure 4 for the "Project Features" plan drawing.

Purpose and Need: The facility expansion is designed to accommodate company growth over the next 10-15 years, consolidate the overflow storage buildings into one facility, and decrease warehouse storage costs. The use of ASRS technology is intended to economize space requirements for the building and increase efficiency for inventory and distribution by utilizing specialized racks with robotic cranes, allowing higher stacking of pallets, increased access to pallets, and automatic transport to the ADS facility for distribution. A warehouse of conventional design would require 660,000 sq ft to process the same inventory amount as the 164,900 sq ft system proposed.

Impacts to Corps Jurisdiction: The total wetland acreage currently on the site is 1.41 acres (Figure 3). Four wetland areas, totaling 0.35 acre, would be permanently impacted by the currently proposed warehouse expansion. Specifically, wetland Area A (0.07 acre), Area N (0.02 acre), Area X (0.01 acre), and a previously created, mitigation wetland W-2 (0.25 acre) would be filled. Wetland W-2 is not completely within the footprint of development and would only partially be filled; however the whole segment would be mitigated. This impact was deemed necessary in order to use the ASRS technology and its associated benefits for efficient use of space. See Mitigation section for further information on classification of specific impacts.

This wetland acreage impact would normally be authorized under the Nationwide Permit Program. However, an Individual Permit is required because the total impacts since the beginning of development (0.24 acre in 1997, and 0.72 acre in 2000) sum to 0.96 acre and the proposed construction would not have independent utility apart from the existing structure. Also, the 1.41

acres of wetlands presently on-site is deficient from the expected 3.04 acres of wetlands that should presently be onsite as of the Corps authorization letter dated August 31, 2000 (2000 Authorization). No unauthorized fill was placed and the deficiency is not completely due to the actions of the applicant (see Project History).

Project History: Meyer Corporation began development at the project site in 1997 by constructing the currently existing warehouse, impacting 0.24 acre of jurisdictional wetlands, as confirmed with Corps verified jurisdictional maps from 1994 and 1997. No Corps notification was submitted as the impacts were below 1/3 acre, the threshold at that time for a non-reporting Nationwide Permit 26. Contra Costa Goldfields (Goldfields, Lasthenia conjugens, listed endangered Jun 18, 1997) was on site, but applicant correspondence with the U.S. Fish and Wildlife Service (FWS) confirmed no impact as the work was sufficiently far and fencing and other BMPs were employed. Any further development on the remaining 3 parcels would require consultation (David Wright, FWS, June 30, 1997). Mitigation for the warehouse impacts was created south of the warehouse totaling 0.36 acre, a 1.5:1 ratio. Total wetlands mapped and verified were 2.21 acres in 1994 and 2.34 acres in 1997, after development, mitigation, and an updated delineation (John Vollmar Consulting, 1997).

A Pre-Construction Notification for Nationwide Permit 26 was submitted July 15, 1998, proposing to fill 0.72 acre of wetland to develop the rest of the 59 acre site, completing the Meyer Corporation Business Campus project. A mitigation ratio of approximately 1.25:1 was proposed, equal to 0.92 additional wetland acres created. The San Francisco Regional Water Quality Control Board (SF RWQCB) required a 2:1 ratio, and 1.42 acres was the agreed upon wetland creation amount, documented in the Corps' 2000 Authorization. This wetland impact and mitigation would increase the on-site wetland acreage from 2.34 acres to 3.04 acres.

Site grading was conducted in 2002, filling 0.72 acre of wetlands. Seven wetlands (W-1 to W-6, and W-7b, See Figure 3) were created as mitigation in the southern section of the site, totaling 0.92 additional acre. This was less than the 1.42 acres stipulated in the Corps authorization letter and has been explained as an oversight. Meyer Corporation is willing to address this in its current mitigation proposal. As mitigation for direct and indirect impacts to Contra Costa goldfield habitat, occupied habitat in wetland Area N was to be preserved, the created wetlands were designed to provide potential habitat, and a fee was paid to a FWS mitigation fund.

Facility development was placed on hold after grading, which filled wetland Area A and part of Area B with authorization and mitigation required. Both wetland areas have since become reestablished to some extent. Additional grading was done on the parcel north of the existing warehouse in early 2008 to accommodate steel storage for the proposed construction.

A large area of wetlands was previously mapped in the southwest portion of the project site. These wetlands, labeled C and D, were long, narrow features, approximately 0.36 acres and 0.79 acres respectively, totaling 1.15 acres, adjacent to a crowned access road with convex topography, next to the created mitigation wetland labeled W-7a/7b (Figure 3). Wetlands C and D were not mapped on the latest wetland delineation due to changes in the delineation method used by the consultant in 1994 and hydric soil classification changes since then. A recent site visit confirmed the lack of adequate hydrology given the topography and lack of hydric soils. This revision brings the expected onsite wetland area to 1.89 acres. Note there are currently 1.41 acres of wetlands onsite, and there was an approximate 0.5 acre oversight in mitigation wetlands created in 2002. This accounts for all expected onsite wetlands.

Mitigation: Fill discharges in Wetlands N, X, and W-2 would require compensatory mitigation. An additional 0.04 acre would be added for the original size of wetland N given it was to be preserved and has since diminished to 0.02 acre. Impacts to Wetland A were authorized for fill in the 2000 Authorization and mitigated in the new wetland construction done in 2002. This 0.07 acre will not require additional mitigation. Therefore, impacts requiring mitigation total 0.32 acre. Meyer Corporation proposes to mitigate for these impacts by purchasing 0.64 acres, a 2:1 ratio, of wetland creation credits at the Elsie Gridley Mitigation Bank, servicing Solano County, or another Corps approved mitigation bank nearby.

Prior mitigation efforts required by the 2000 Authorization were deficient and resulted in a shortfall of approximately 0.49 acre. In addition, a required conservation easement was not established for the created wetlands and Wetland N preserve for Goldfields. Meyer Corporation proposes to mitigate for the shortfall by purchasing 1 acre of wetland creation credits at the Elsie Gridley Mitigation Bank, or a Corps approved mitigation bank, which represents more than a 2:1 mitigation ratio. A conservation easement will be recorded in perpetuity with the City of Fairfield to prohibit wetland fill in an approximate 5-acre preserve area incorporating the 1.06 acres of wetlands that would remain after the proposed construction. Goldfields preservation credits have been required by the FWS to mitigate for prior deficiencies and new impacts (see ESA section).

A Wetland Mitigation and Monitoring Report for the mitigation wetlands created in 2002 was submitted for the fifth year of monitoring on October 15, 2008. Mitigation success goals were proposed in the Mitigation and Monitoring Plan, dated May 15, 1999, approved in the 2000 Authorization. After the fifth year of monitoring, the goal of having no more than 25% plant cover with exotic species has been met in six of the seven wetlands. Another goal of a minimum average plant cover of 70% has not been met. The easement holder will bill Meyer Corporation for any corrective action needed to bring the preserve into compliance with the approved wetland mitigation success goals.

3. COMPLIANCE WITH VARIOUS FEDERAL LAWS:

National Environmental Policy Act of 1969 (NEPA): The Corps will assess the environmental impacts of the proposed action in accordance with the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. Section 4371 et. seq.), the Council on Environmental Quality's Regulations (40 C.F.R. Parts 1500-1508), and the Corps' Regulations (33 C.F.R. Part 230 and Part 325, Appendix B). otherwise stated. the Environmental Unless Assessment will describe only the impacts (direct, indirect, and cumulative) resulting from activities within the Corps' jurisdiction. The documents used in the preparation of the Environmental Assessment will be on file with the U.S. Army Corps of Engineers, San Francisco District, Regulatory Division, 1455 Market Street, San Francisco, California 94103-1398.

Endangered Species Act of 1973 (ESA): Section 7 of the Endangered Species Act requires formal consultation with the U.S. Fish and Wildlife Service (FWS) and/or the National Marine Fisheries Service (NMFS) if a Corps permitted project may adversely affect any Federally listed threatened or endangered species or its designated critical habitat.

There is critical habitat for Contra Costa Goldfields (*Lasthenia conjugens*) (Goldfields) onsite, and historic presence was confirmed during previous rare plant surveys. Meyer Corporation has been in contact with the FWS regarding impacts to Goldfields. Formal consultation was initiated by the Corps, and a FWS Biological Opinion was issued October 3, 2008. It stipulates a 9:1 mitigation ratio for direct impacts to wetlands with Goldfields habitat within 250 feet of construction, and a 4.5:1 ratio for those beyond 250 feet. These ratios result in 10.17 acres of preserved/occupied Goldfields

habitat being purchased at the FWS-approved, Noonan Ranch Mitigation Bank. Wetlands A, B, and X (0.14 acres) are not being considered in the FWS required compensatory mitigation as they are not considered suitable habitat for Goldfields.

Magnuson-Stevens Fisheries Conservation and Management Act: Essential Fish Habitat - The Magnuson-Stevens Fishery Conservation and Management Act requires all Federal agencies to consult with the National Marine Fisheries Service (NMFS) on all actions, or proposed actions permitted by the agency that may adversely affect Essential Fish Habitat (EFH). There are no EFH concerns with this proposed project.

Clean Water Act of 1972 (CWA):

a. Water Quality: Under Section 401 of the Clean Water Act (33 U.S.C. Section 1341), an applicant for a Corps permit must first obtain a State water quality certification before a Corps permit may be issued. No Corps permit will be granted until the applicant obtains the required water quality certification. The Corps may assume a waiver of water quality certification if the State fails or refuses to act on a valid request for certification within 60 days after the receipt of a valid request, unless the District Engineer determines a shorter or longer period is reasonable for the State to act.

Those parties concerned with any water quality issue that may be associated with this project should write to the Executive Officer, California Regional Water Quality Control Board, San Francisco Bay Region, 1515 Clay Street, Suite 1400, Oakland, California 94612 by the close of the comment period of this Public Notice.

b. Alternatives: Evaluation of this proposed activity's impact includes application of the guidelines promulgated by the Administrator of the Environmental Protection Agency under Section 404(b)(1) of the Clean Water Act (33 U.S.C. Section 1344(b)). An evaluation has been made by this office under the guidelines and it was determined that

the proposed project is not water dependent.

Coastal Zone Management Act of 1972 (CZMA): Section 307 of the Coastal Zone Management Act requires the applicant to certify that the proposed project is consistent with the State's Coastal Zone Management Program, if applicable. The proposed project is not within the Coastal Zone.

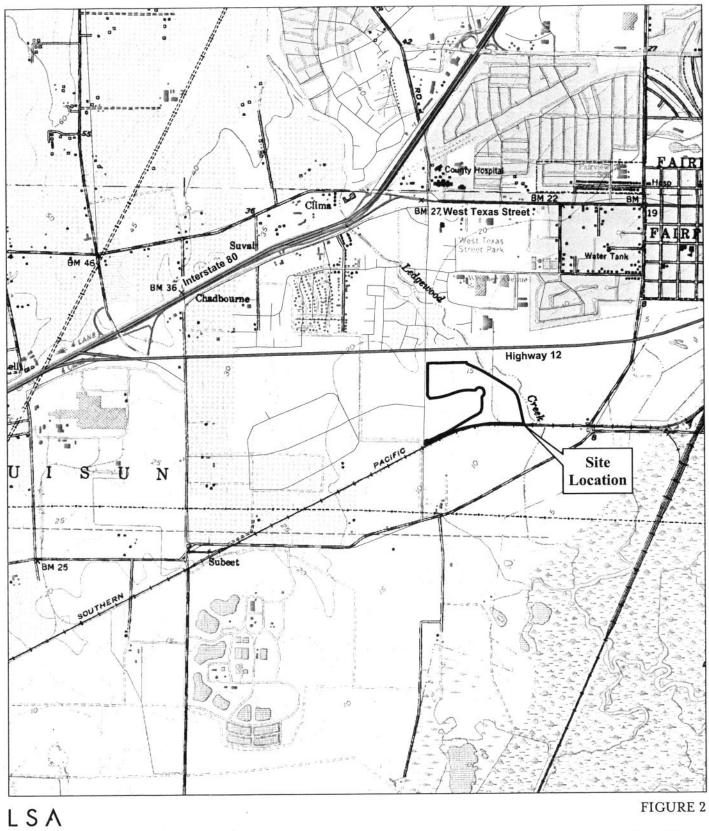
National Historic Preservation Act of 1966 (NHPA): Based on a review of survey data on file with various City, State and Federal agencies, no historic or archeological resources are known to occur in the project vicinity. If unrecorded resources are discovered during construction of the project, operations will be suspended until the Corps completes consultation with the State Historic Preservation Office (SHPO) in accordance with Section 106 of the National Historic Preservation Act.

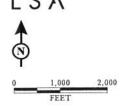
4. PUBLIC INTEREST EVALUATION: decision whether to issue a permit will be based on an evaluation of the probable impact, including cumulative impact, of the proposed activity on the public interest. That decision will reflect the national concern for both protection and utilization of important resources. The benefits that reasonably may be expected to accrue from the proposed activity must be balanced against its reasonably foreseeable detriments. All factors that may be relevant to the proposal will be considered, including its cumulative effects. Among those factors are: conservation, economics. aesthetics, general environmental concerns, wetlands, historic properties, fish and wildlife values, flood hazards, floodplain values, land use, navigation, shoreline erosion and accretion, recreation, water supply and conservation, water quality, energy needs, safety, food and fiber production, mineral needs, considerations of property ownership, and, in general, the needs and welfare of the people.

5. **CONSIDERATION OF COMMENTS:** The Corps of Engineers is soliciting comments from the public, Federal, State and local agencies and officials, Indian Tribes, and other interested parties in order to

consider and evaluate the impacts of this proposed activity. Any comments received will be considered by the Corps to determine whether to issue, condition or deny a permit for this proposal. To make this decision, comments are used to assess impacts on endangered species, historic properties, water quality, general environmental effects, and the other public interest factors listed above. Comments are used in the preparation of an Environmental Assessment and/or an Environmental Impact Statement pursuant to the National Environmental Policy Act. Comments are also used to determine the need for a public hearing and to determine the overall public interest in the proposed activity.

6. **SUBMISSION OF COMMENTS:** Interested parties may submit, in writing, any comments concerning this activity. Comments should include the applicant's name and the number and the date of this Public Notice, and should be forwarded so as to reach this office within the comment period specified on Page 1. Comments should be sent to the U.S. Army Corps of Engineers, San Francisco District, Regulatory Division, 1455 Market Street, San Francisco, California 94103-1398. It is the Corps' policy to forward any such comments that include objections to the applicant for resolution or rebuttal. Any person may also request, in writing, within the comment period of this Public Notice that a public hearing be held to consider this application. Requests for public hearings shall state, with particularity, the reasons for holding a public hearing. Additional details may be obtained by contacting the applicant whose name and address are indicated in the first paragraph of this Public Notice or by contacting Justin Yee of our office at telephone number (415) 503-6788 or E-mail: Justin.J.Yee@usace.army.mil. Details on any changes of a minor nature that are made in the final permit action will be provided upon request.

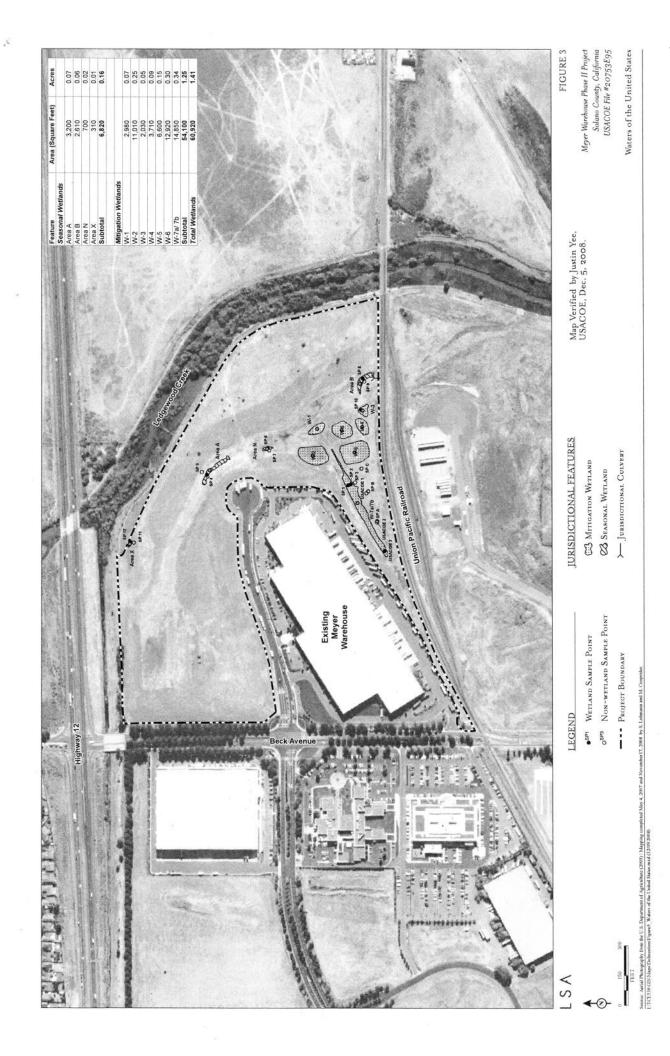


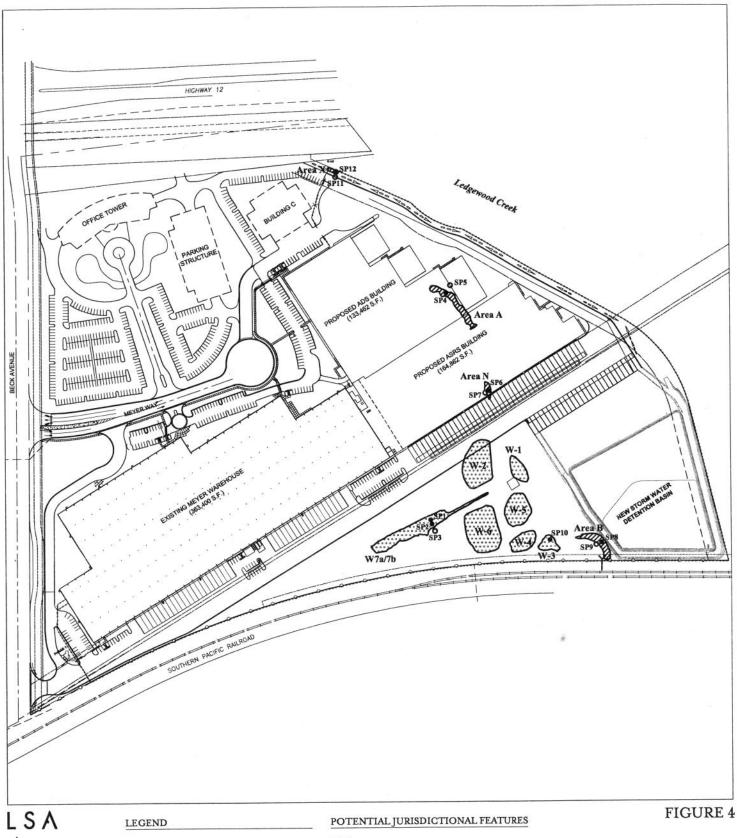


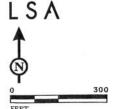
Meyer Warehouse Phase II Project Solano County, California

Site Location

SOURCE: USGS 7.5' Quads; FAIRFIELD NORTH and FAIRFIELD SOUTH







• SP1 WETLAND SAMPLE POINT

O SP3 NON-WETLAND SAMPLE POINT

MITIGATION WETLAND

SEASONAL WETLAND

JURISDICTIONAL CULVERT

Meyer Warehouse Phase II Project Solano County, California

Project Features

SOURCE OF BASE MAP: CREEGAN+D'ANGELO 4/11/08