



Montana Department of
ENVIRONMENTAL QUALITY

Brian Schweitzer, Governor

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May 30, 2008

Mr. Patrick Schneiderhan, Owner
Capitol Gravel and Asphalt, LLC
P.O. Box 978
East Helena, MT 59635

Dear Mr. Schneiderhan:

The Department of Environmental Quality (Department) has made its decision on the Montana Air Quality Permit application for Capitol Gravel and Asphalt, LLC, portable hot mix asphalt plant. The application was given permit number 4206-00. The Department's decision may be appealed to the Board of Environmental Review (Board). A request for hearing must be filed by June 16, 2008. This permit shall become final on June 17, 2008, unless the Board orders a stay on the permit.

Procedures for Appeal: Any person jointly or severally adversely affected by the final action may request a hearing before the Board. Any appeal must be filed before the final date stated above. The request for a hearing shall contain an affidavit setting forth the grounds for the request. Any hearing will be held under the provisions of the Montana Administrative Procedures Act. Submit requests for a hearing in triplicate to: Chairman, Board of Environmental Review, P.O. Box 200901, Helena, Montana 59620.

Conditions: See attached.

For the Department,

Vickie Walsh
Air Permitting Program Supervisor
Air Resources Management Bureau
(406) 444-9741

Paul Skubinna
Environmental Engineer
Air Resources Management Bureau
(406) 444-6711

VW:PS
Enclosure

DEPARTMENT OF ENVIRONMENTAL QUALITY
Permitting and Compliance Division
Air Resources Management Bureau
P.O. Box 200901, Helena, MT 59620
(406) 444-3490

FINAL ENVIRONMENTAL ASSESSMENT (EA)

Issued To: Capital Gravel and Asphalt, LLC

Air Quality Permit number: 4206-00

Preliminary Determination Issued: 05/09/08

Department Decision Issued: 05/30/08

Permit Final:

1. *Legal Description of Site:* NE¼ of Section 35, Township 10 North, and Range 3 West, in Lewis and Clark County, Montana

2. *Description of Project:* Capitol Gravel and Asphalt, LLC (Cap) owns and operates a portable parallel flow continuous asphalt drum mixer with a maximum production capacity of 100 tons per hour (TPH); an asphalt silo; cold aggregate handling operations; material transfer operations including elevator, screens, bins, mixers, conveyors including 4 transfer points; a 350 horse power (hp) diesel generator; a diesel fuel-fired hot oil heater; and associated equipment and operations. The proposed action is to issue a Montana Air Quality Permit #4206-00 allowing construction/assembly of the plant initially located at an existing gravel pit near East Helena. Construction of the existing gravel pit at this location was permitted (permit number RDP-002) under Montana's Open Cut Mining Program in 2007. Potential environmental impacts for construction of the gravel pit at large were analyzed at that time (Open Cut Operating permit # RDP-002, On file at the Department), in accordance with the Montana Environmental Policy Act (MEPA). This potential environmental impact analysis is tiered to that conducted for the Open Cut Operating Permit analysis.

The proposed asphalt production facility is a portable operation; therefore, it can be expected to move, and operate at various locations throughout Montana. This MEPA analysis is intended evaluated potential impacts of this plant at any operational location.

3. *Objectives of Project:* The objective of construction and operation of the asphalt plant at its initial location is to provide material for support of construction of Mountain View Estates subdivision located south of East Helena, and other construction projects.

4. *Alternatives Considered:* In addition to the proposed action, the Department also considered the "no-action" alternative. The "no-action" alternative would deny issuance of the air quality preconstruction permit for the proposed asphalt plant. The no action alternative is to deny the proposed air quality permit disallowing construction and operation of the asphalt plant and would result in existing site conditions including the permitted gravel pit. However, the Department does not consider the "no-action" alternative to be appropriate because Cap has demonstrated compliance with all applicable rules and regulations as required for air quality permit issuance. Therefore, the "no-action" alternative was eliminated from further consideration.

5. *A Listing of Mitigation, Stipulations, and Other Controls:* A list of enforceable conditions, including a BACT analysis, would be included in Permit #4206-00.
6. *Regulatory Effects on Private Property:* The Department considered alternatives to the conditions imposed in this permit as part of the permit development. The Department determined that the permit conditions are reasonably necessary to ensure compliance with applicable requirements and demonstrate compliance with those requirements and do not unduly restrict private property rights.
7. *The following table summarizes the potential physical and biological effects of the proposed project on the human environment.* The “no-action” alternative was discussed previously.

		Major	Moderate	Minor	None	Unknown	Comments Included
A	Terrestrial and Aquatic Life and Habitats			X			Yes
B	Water Quality, Quantity, and Distribution			X			Yes
C	Geology and Soil Quality, Stability and Moisture				X		Yes
D	Vegetation Cover, Quantity, and Quality			X			Yes
E	Aesthetics			X			Yes
F	Air Quality			X			Yes
G	Unique Endangered, Fragile, or Limited Environmental Resources				X		Yes
H	Demands on Environmental Resource of Water, Air and Energy			X			Yes
I	Historical and Archaeological Sites				X		Yes
J	Cumulative and Secondary Impacts			X			Yes

SUMMARY OF COMMENTS ON POTENTIAL PHYSICAL AND BIOLOGICAL EFFECTS: The following comments have been prepared by the Department.

- A. Terrestrial and Aquatic Life and Habitats: MEPA analysis for the permitted gravel pit identified the Agapetus Caddisfly as a potential species of concern in the project area, but this occurrence was dismissed due to the upland nature of the proposed project site. No additional disturbance to that permitted for construction of the gravel pit is proposed; therefore, potential impacts to terrestrial and aquatic life and habitats are expected to be minor due increased noise in the area and deposition of relatively minor amounts of air pollutants emitted from the portable asphalt plant.

At all locations the asphalt plant would typically operate within a previously disturbed open-cut pit used for such purposes. Therefore, there would be a low likelihood of additional disturbance to any known terrestrial and aquatic life and habitats given any previous industrial disturbance in any given area of operation. Therefore, it is unlikely that the proposed asphalt plant would have significant impacts in a given area of operation.

- B. Water Quality, Quantity and Distribution: Water would be used for dust suppression on the surrounding roadways and areas of operation and for emission pollution control during operations. Water use would be relatively small, therefore impacts on water quantity are expected to be minor. No impacts to ground water quality from pollutant infiltration are expected because PM suppression will be on an as-needed basis, saturated conditions will not

be maintained within material or along haul roads. The facility has not proposed to discharge industrial waste water to state surface water, furthermore storm water run-off from the facility would be subject to control and permitting under the Montana Pollutant Discharge Elimination System as applicable. Therefore, potential impact to state water quality, quantity and distribution are expected to be minor at most.

- C. Geology and Soil Quality, Stability and Moisture: Potential impacts to geology and soil quality, stability and moisture were previously analyzed for permitting of construction of the gravel pit. As no additional disturbance is proposed by the proposed action no impacts are expected.

At all locations the asphalt plant would typically operate within a previously disturbed open-cut pit used for such purposes. Therefore, there is a low likelihood that assembly and operation of the plant in any location will cause significant additional impacts to geology and soil quality, stability and moisture given the likelihood of previous industrial disturbance at the given area of operation.

- D. Vegetation Cover, Quantity, and Quality: Previous MEPA analysis for the permitted gravel pit identified Wedge-Leaved Saltbush, Lesser Rushy Milvetch and Small Yellow Lady's Slipper as potentially impacted species of concern. The analysis for permitting of the gravel pit concluded potential impacts to these plants were insignificant. Research for this MEPA analysis did not identify additional species of concern. Since no additional land disturbance is included in this proposed action potential impacts to these species habitats, quantity and quality are minor due to potential deposition of relatively minor amounts of air pollutions emitted from this facility.

At all locations the asphalt plant would typically operate within a previously disturbed open-cut pit used for such purposes. Therefore, there is a low likelihood that assembly and operation of the plant in any location will cause significant additional impacts to vegetative cover, quantity and quality given the likelihood of previous industrial disturbance at the given area of operation.

- E. Aesthetics: The proposed facility will be visible from Highways 282 and 12. However, the profile of the equipment associated with the asphalt plant will be partially obstructed because its profile will be recessed within the permitted gravel pit. Furthermore, visible portions of the plant will be difficult to discern from other construction equipment and implements associated with construction of the housing development at large. Finally, draft permit 4206-00 contains provisions that control visible emissions from the facility. Therefore potential visual impacts to aesthetics are minor.

The proposed action contains equipment which will create noise pollution during operation. However, the asphalt plant will be recessed from the surrounding topography within the gravel pit which will naturally mitigate horizontal noise propagation to receptors. Operation of the asphalt plant will add limited amounts of noise; however, this noise will be difficult to discern from noise created from operation of equipment associated with the permitted gravel pit. Therefore, potential impacts to aesthetics due to noise are expected to be minor.

At all locations the asphalt plant would typically operate within a previously disturbed open-cut pit used for such purposes. Therefore, there is a low likelihood that assembly and operation of the plant in any location will cause significant additional impacts to aesthetics given the likelihood of previous industrial disturbance at the given area of operation.

- F. Air Quality: The air quality impacts from the asphalt plant operations would be minor because Permit #4206-00 would include conditions limiting the opacity from the plant, as well as requiring fabric filter baghouse, water spray as necessary, and other means to control air pollution. Further, Permit #4206-00 would limit total emissions from the asphalt plant operation and any additional equipment owned and operated by Cap to 250 tons/year or less at any given operating site, excluding fugitive emissions.

Small amounts of deposition generated from the asphalt plant operation would be minimal because the pollutants emitted would be well controlled, widely dispersed (from such factors as wind speed and wind direction), and would result in only minor impacts to the surrounding environment. Similarly air pollutant deposition and impacts due to emissions from the asphalt plant would be temporary because the facility is not permitted to remain in one location more than 12 months. Overall, any air quality impacts resulting from the proposed asphalt plant operation would be minor.

- G. Unique, Endangered, Fragile, or Limited Environmental Resources: Research conducted for this analysis has identified that the proposed action is within the potential range of Gray Wolf. The Gray Wolf is in the process of being delisted by the US Fish and Wildlife Service. No sightings of this species have been identified at or within one mile of the subject property. Noise from the operation may have limited impacts on animals within their potential extended range; however, no element occurrences have been documented at the subject property or within one mile of the subject property. Additionally, the proposed project is adjacent to the urbanized area associated with the town of East Helena (which is also included within the recently expanded extended range of this species); however, the presence of the town is an existing condition that is a deterrent to habitation of this area by this species. Overall the Department believes the proposed action does not constitute potential impacts to Gray Wolf within its recently expanded extended range.

Similarly, previous MEPA analysis for the permitted gravel pit identified sensitive or limited plant species including Wedge-Leaved Saltbush, Lesser Rushy Milvetch and Small Yellow Lady's Slipper as potentially being impacted. The analysis for the gravel pit permit concluded potential impacts to these plants were insignificant. Research for this MEPA analysis did not identify additional endangered, fragile or limited species of concern. Since no additional land disturbance beyond that already permitted for the gravel pit is included in this proposed action, no potential impacts to these limited or sensitive plant species are expected.

At all locations the asphalt plant would typically operate within a previously disturbed open-cut pit used for such purposes. Therefore, there is a low likelihood that assembly and operation of the plant in any location will cause significant additional impacts to unique, endangered, fragile or limited resources given the likelihood of previous industrial disturbance at the given area of operation.

- H. Demands on Environmental Resource of Water, Air and Energy: Due to the relatively small size of the facility and relatively low potential to emit regulated air pollutants, the asphalt plant operation would result in only minor demands on the environmental resources of water, air, and energy for normal operations. Small quantities of water would be used for dust suppression and would control particulate emissions generated through equipment operations and vehicle traffic at the site. Energy requirements would be accommodated through the use of electricity obtained via diesel-fired generator. In addition, the asphalt plant operation would be temporary as it is not permitted to remain at this location for more than twelve months. Further, impacts to air resources would be minor because the source would be small by industrial standards, and would generate relatively minor amounts of regulated pollutants through normal operations.

Overall, any impacts to the above-cited physical and biological resource of the human environment of the project area would be minor because the proposed asphalt plant operation would initially and typically operate within areas designated for such operations. Therefore, the overall demand on environmental resource of water, air and energy of the area would not change as a result of the proposed project and any associated impacts would be minor.

- I. Historical and Archaeological Sites: No historical or archaeological sites were identified during MEPA analysis for permitting of the gravel pit or during research conducted for this analysis. No ground disturbance, in addition to that analyzed previously, is included in the proposed action; therefore, no potential impacts are expected.

At all locations the asphalt plant would typically operate within a previously disturbed open-cut pit used for such purposes. Therefore, there is a low likelihood that assembly and operation of the plant in any location will cause significant additional impacts to historical and archaeological sites given the likelihood of previous industrial disturbance at the given area of operation.

- J. Cumulative and Secondary Impacts: The Department is currently considering a pending Montana Air Quality Permit (permit # 4205-00) application for a gravel crushing and screening operation by a separate owner/operator to be located concurrent to the asphalt plant considered by this proposed action. Aggregated produced by the crushing and screening operation will provide raw materials to the proposed asphalt plant. Cumulative affects of these two operations will include combined air emissions of PM, SO₂, NO_x, CO, and VOCs; as well as, additional noise and other cumulative impacts to the human environment. However, the Department believes the cumulative impacts to air quality will not violate applicable air quality standards. Similarly, potential impacts to terrestrial and aquatic life and habitat; water quality, quantity and distribution; vegetative quality; aesthetics; and, demands of environmental resources will be minor. No additional disturbance is proposed by the pending crushing and screening operation or the proposed action, in addition to that analyzed for permitting of the construction of the gravel pit, and the cumulative operation remains to be relatively small by industrial standards.

At all locations the asphalt plant would typically operate within a previously disturbed open-cut pit and in conjunction with other portable operations used for such purposes. Therefore, there is a low likelihood that assembly and operation of the plant in any location will cause significant additional cumulative and secondary impacts given the likelihood of previous industrial disturbance at the given area of operation.

8. *The following table summarizes the potential economic and social effects of the proposed project on the human environment. The “no-action” alternative was discussed previously.*

		Major	Moderate	Minor	None	Unknown	Comments Included
A	Social Structures and Mores				X		Yes
B	Cultural Uniqueness and Diversity				X		Yes
C	Local and State Tax Base and Tax Revenue			X			Yes
D	Agricultural or Industrial Production			X			Yes
E	Human Health			X			Yes
F	Access to and Quality of Recreational and Wilderness Activities			X			Yes
G	Quantity and Distribution of Employment				X		Yes
H	Distribution of Population				X		Yes
I	Demands for Government Services			X			Yes
J	Industrial and Commercial Activity			X			Yes
K	Locally Adopted Environmental Plans and Goals			X			Yes
L	Cumulative and Secondary Impacts			X			Yes

SUMMARY OF COMMENTS ON POTENTIAL ECONOMIC AND SOCIAL EFFECTS: The following comments have been prepared by the Department.

- A. Social Structures and Mores:
- B. Cultural Uniqueness and Diversity: The asphalt plant operation would cause no disruption to the above-cited economic and social resources or cultural uniqueness and diversity of the human environment in any given area of operation because the source would be a minor industrial source of emissions, would initially and typically operate in an existing industrial site used for such purposes, and would operate on a temporary basis. The predominant use of any surrounding area would not change as a result of the proposed action.

- C. Local and State Tax Base and Tax Revenue: The asphalt plant operations would have little, if any, impact on the local and state tax base and tax revenue because the facility would be a minor industrial source and would conduct only seasonal and intermittent operations. The facility would require the use of only a few employees. Thus, only minor impacts to the local and state tax base and revenue could be expected from the employees and facility production. Furthermore, the impacts to local tax base and revenue would be minor because the source would be portable and the money generated for taxes would be widespread.

Overall, any impacts to the above-cited economic and social resource of the human environment of any given project area would be minor because the proposed asphalt plant operation would initially and typically operate within areas designated for such operations. Therefore, the overall local and state tax base and tax revenue of any given area would not change as a result of the proposed project and any associated impacts would be minor.

- D. Agricultural or Industrial Production: Previous MEPA analysis for gravel pit construction permitted concluded potential impacts to agricultural or industrial production would be minor and temporary. As no additional land disturbance is proposed by this action no impacts to agricultural production are expected. Minor impacts to industrial production are expected as the facility described in the

proposed action produces a construction material. However, the proposed operation remains relatively small by industrial standards. Overall, potential impacts to agricultural and industrial production are expected to be minor.

- E. Human Health: Permit #4206-00 is in effect at all locations and would include limits and conditions to ensure that the asphalt plant facility would be operated in compliance with all applicable air quality rules and standards. These rules and standards are designed to be protective of human health.
- F. Access to and Quality of Recreational and Wilderness Activities: Noise from the facility would be minor because the asphalt plant operation would be small by industrial standards and would initially and typically operate in areas used for such operations. As a result, the amount of noise generated from the asphalt plant operation would be minimal for the area. Therefore, any impacts to the quality of recreational and wilderness activities created by the proposed project would be expected to be minor and short-lived. Similarly, the asphalt plant operation would initially and typically operate within areas designated for such operations; therefore, impacts to access to recreational and wilderness areas are expected to be minor or insignificant. Overall potential impacts to access to and quality of recreational and wilderness activities are expected to be minor.
- G. Quantity and Distribution of Employment:
- H. Distribution of Population: The proposed asphalt plant operation would require only a few employees to operate thereby resulting in little, if any, permanent immigration into or emigration out of a given area. Therefore, the proposed project would not impact the above-cited economic and social resources of the human environment at the initially proposed or any other given operating site.
- I. Demands for Government Services: Minor increases would be seen in traffic on existing roadways in the area while the asphalt plant operation is in progress. In addition, government services would be required for acquiring the appropriate permits for the proposed project and to verify compliance with the permits that would be issued. Overall, any demands for government services would be minor.
- J. Industrial and Commercial Activity: The asphalt plant operation would represent only a minor increase in the industrial activity in the proposed initial or any future area of operation because the source would be a relatively small industrial source that would be portable and temporary in nature. Very little, if any, additional industrial or commercial activity would be expected as a result of the proposed operation.

Overall, any impacts to industrial and commercial activity of the human environment from the project area would be minor because the proposed asphalt plant operation would initially and typically operate within areas designated for such operations. Therefore, the overall industrial nature of the area would not change as a result of the proposed project and any associated impacts would be minor.

- K. Locally Adopted Environmental Plans and Goals: The Department is not aware of any locally adopted environmental plans or goals in the initial area of operation or any future operating site since Permit #4206-00 would allow for operations at various unknown locations throughout the state. However, if the plant moved to an area classified as non-attainment for PM₁₀, the operation would be required to apply for and receive an addendum to Permit #4206-00 prior to operation at the site. The addendum would include more restrictive requirements to protect the non-attainment area from further degradation. The state standards would be protective of any proposed area of operation.

Overall, any impacts to the above-cited economic and social resource of the human environment of the project area would be minor because the proposed asphalt plant operation would initially and

typically operate within areas designated for such operations. Therefore, the overall industrial nature of the area would not change as a result of the proposed project and any associated impacts would be minor.

- L. Cumulative and Secondary Impacts: The asphalt plant operations as proposed at its initial location in conjunction with other pending permitting actions as described in Section 7.J. would cause minor cumulative and secondary impacts to the social and economic aspects of the human environment in the immediate area of operation because the combined operations are relatively small by industrial standards.

The source would be a portable and temporary source. Few, if any, other industrial operations would be expected to result from the permitting and operation of this facility. Minor increases in traffic would have minor effects on local traffic in the immediate area. Because the source is relatively small and temporary, only minor economic impacts to the local economy would be expected from operating the facility.

Overall, the proposed asphalt plant operation would result in only minor and temporary secondary and cumulative impacts to the social and economic aspects of the human environment of the initially proposed and any future operating site.

Recommendation: No EIS is required. Permit #4206-00 includes conditions and limitations to ensure the facility will operate in compliance with all applicable air quality rules and regulations. In addition, all impacts associated with the proposed action are expected to be insignificant or minor.

Other groups or agencies contacted or which may have overlapping jurisdiction: Montana Historical Society – State Historic Preservation Office, Natural Resource Information System – Montana Natural Heritage Program

Individuals or groups contributing to this EA: Department of Environmental Quality – Air Resources Management Bureau, Industrial and Energy Minerals Bureau; Montana Historical Society – State Historic Preservation Office; Natural Resource Information System – Montana Natural Heritage Program

EA prepared by: P. Skubinna

Date: 04/28/08