Montana Department of
ENVIRONMENTAL QUALITY
Brian Schweitzer, Governor
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PRELIMINARY DETERMINATION
ON PERMIT APPLICATION

Date of Mailing: July 20, 2009

Name of Applicant: Schellinger Construction Co., Inc.

Source: Portable Crushing and Screening Operation

Proposed Action: The Department of Environmental Quality (Department) proposes to issue a permit, with conditions, to the above-named applicant. The application was assigned Permit Application Number 2622-07.

Proposed Conditions: See attached.

Public Comment: Any member of the public desiring to comment must submit such comments in writing to the Air Resources Management Bureau (Bureau) of the Department at the above address. Comments may address the Department's analysis and determination, or the information submitted in the application. In order to be considered, comments on this Preliminary Determination are due by August 19, 2009. Copies of the application and the Department's analysis may be inspected at the Bureau's office in Helena. For more information, you may contact the Department.

Departmental Action: The Department intends to make a decision on the application after expiration of the Public Comment period described above. A copy of the decision may be obtained at the above address. The permit shall become final on the date stated in the Department's Decision on this permit, unless an appeal is filed with the Board of Environmental Review (Board).

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 by the date stated in the Department's Decision on this permit. 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, MT 59620.

For the Department,

Vickie Walsh

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Air Resources Management Bureau
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VW:PS
Enclosures

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

DRAFT ENVIRONMENTAL ASSESSMENT (EA)

Issued To: Schellinger Construction Company, Inc.

Montana Air Quality Permit number: 2622-07

Preliminary Determination Issued: July 20, 2009
Department Decision Issued:
Permit Final:

1. *Legal Description of Site*: North ½ of Section 21, Township 30 North, Range 21 West, in Flathead County, Montana.

2. *Description of Project*: Schellinger owns and operates a portable nonmetallic mineral processing crushing and screening operation to crush and sort sand and gravel. For a typical operational setup, unprocessed materials are loaded onto the feeder grizzly screen and conveyed to a jaw crusher. From the jaw crusher, the materials are conveyed to a stockpile. The crushed and sized materials are stockpiled and used for construction operations.

3. *Objectives of Project*: The objective of the proposed action is to modify Schellingers existing MAQP to allow greater operational flexibility. Proposed modifications to the permit include authorization for construction and operation of a 755 hp diesel-fired generator, a decrease in crushing production limitations, an increase in screening production limitations, and removal of the 520 kW diesel-fired generator from the MAQP, such that the facility may be operated throughout the state of Montana including in or within 10 km of a nonattainment area.

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 to the proposed facility. However, the Department does not consider the "no-action" alternative to be appropriate because Schellinger has demonstrated compliance with all applicable rules and regulations as required for 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 MAQP #2622-07 and Addendum 6 to the permit.

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
B. Water Quality, Quantity and Distribution

The proposed action would not directly impact water quantity or distribution, or terrestrial or aquatic life or habitats from the proposed project. Schellinger is currently authorized to operate the facility throughout Montana at locations that would generally consist of existing disturbed land and/or gravel pits. The proposed permit modifications would not result in new construction or ground disturbance and no new discharge or water use would be required due to the proposed permit modifications.

Changes in emissions from the proposed project may have a minor impact on water quality in the proposed project area. As stated in Section 7.F of this EA, changes in emissions and resulting impacts from those changes are expected to be minor due to minor increases in pollutant emissions that may result in local deposition. Therefore, overall impacts to the water quality, quantity and distribution, and terrestrial and aquatic life and habitats near the project area would be minor.

C. Geology and Soil Quality, Stability and Moisture

The proposed project would not impact the geology, soil quality, stability, and moisture of the proposed project area. The proposed project would be within an existing facility and no new construction or ground disturbance to the area would be required.

As stated in Section 7.F of this EA, changes in emissions and resulting impacts from those changes are expected to be minor due the minor increase of pollutant emissions that may result in local deposition. However, deposition resulting from the proposed action is not expected to impact the geology, or the quality, stability or moister content of local soil. Overall, no impacts to the geology and soil quality, stability, and moisture of the project area would be expected.

D. Vegetation Cover, Quantity, and Quality

The proposed action would not directly impact vegetative cover, quantity or quality, because it would not result in new construction or ground disturbance.

As stated in Section 7.F of this EA, minor increase of pollutant emissions may result in local deposition affecting vegetative cover and quality; however, the proposed increase in emissions is relatively minor and not expected to result in significant deposition. Therefore, overall impacts to vegetative cover, quantity and quality near the project area would be minor.

E. Aesthetics

The proposed action would include a modification of a facility that is expected to operate at existing industrial locations. However, no significant change to the visual profile or character of permitted equipment would occur. Therefore, the proposed action would not result in net change in the aesthetics of the areas this plant would operate. The permitted equipment may move to gravel pit locations that have temporarily not been in operation and would change the visual profile and character of those locations upon recommencement of operations at those locations. However, these locations would already be industrial in nature; therefore, impacts would be minor.

F. Air Quality

Particulate, NO_x, VOC, CO and SO_x emissions would increase as a result of the proposed action. Net increases in PM_{10}, NO_x, VOC, CO and SO_x emission would be 7.83, 5.88, 4.83, 5.76, 4.64 and 1.26 ton/year, respectively. The minor increases in particulate emissions NO_x, VOC, CO and SO_x emission may result in additional near or far field deposition, additional formation of ozone locally, or formation of secondary particulate matter. Nonetheless, Department believes that increase in emissions would result in minor changes to air quality and impacts from increases in local deposition of pollutants would be immeasurable due to dispersion characteristics of pollutants in the atmosphere.

The Department determined that controlled emissions from the proposed action would not cause or contribute to a violation of any ambient air quality standard. Therefore, any impacts to air quality from the proposed project would be minor.

G. Unique Endangered, Fragile, or Limited Environmental Resources

In an effort to screen for unique endangered, fragile, or limited environmental resources in the area, the Department contacted the Montana Natural Heritage Program, Natural Resource Information System (NRIS). The NRIS search identified 10 known occurrences and/or the range of species of special concern located within and near project area. In this case, the project area was defined by the section, township, and range of the proposed location with an additional one mile buffer zone. Identified species of concern included Bull Trout (*Salvelinus confluentus*), Gray Wolf (*Canis lupus*), Last Best Place Damselfly (*Enallagma optimolocus*), Aloina moss (*Aloina brevirostris*), Amblyodon moss (*Amblyodon dealbatus*), Short-styled Thistle (*Cirsium brevistylum*), Latah Tule Pea (*Lathyrus bijugatus*), Deer Indian Paintbrush (*Castilleja cervina*), Small Yellow Lady's-slipper (*Cypripedium parviflorum*), and Madenhair Spleenwort (*Asplenium trichomanes*).

The proposed action would be located at an existing facility, would not require additional ground disturbance or significant construction, and would not be likely to result in measurable changes to local ecosystems. Therefore, the Department has determined that the proposed action would not impact species of special concern or fragile or limited environmental resources.

Similarly, no additional ground disturbance, construction or significant changes to methods of operation of the permitted facilities would occur from the permit modification when the gravel plant moves to other locations throughout the state, which would likely already be existing industrial facilities. Therefore, no impacts to species of concern or, fragile or limited environmental resources at those locations would occur.

H. Demands on Environmental Resource of Water, Air and Energy

The proposed action could result in a net decrease in operational consumption of diesel fuel as hours of operation limitations on that emitting unit have been decreased. Conversely, the permit modification may result in an aggregate increase in actual pollutant emissions because overall allowable emissions for criteria pollutants have increased. However, increases in air pollutant emissions would not cause or contribute to an exceedence of applicable air quality standards. No increases in demand for water resources are expected in response to the permit modification. Therefore, overall impacts on the demands for the environmental resources of water, air, and energy would be minor at the initial location and other permitted operational locations through the state.

I. Historical and Archaeological Sites

The Department contacted the Montana Historical Society (SHPO) to screen for occurrences of historical and archaeological sites near the proposed project area. According to SHPO records, there have not been any recorded historic or archaeological sites identified within the proposed area. Therefore, SHPO recommended that a cultural resource inventory is not warranted. Since the proposed action would not require additional ground disturbance the Department has determined that there would be no potential impact to historical or archaeological sites.

J. Cumulative and Secondary Impacts

Overall, the cumulative and secondary impacts on the physical and biological aspects of the human environment in the immediate area would be minor from the proposed action due to the scope and nature of the proposed facility modifications. The Department believes that the facility can be expected to operate in compliance with all applicable rules and regulations as would be outlined in MAQP #2622-07.

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 proposed action would not be expected to cause impacts to the social structure and customs, because the proposed permit modification would include permitting the existing diesel generator based on its actual rather than estimated horsepower and a change in allowable operation capacity of production equipment would not directly impact the physical or intellectual arrangement of the community, its parts or elements, nor does it affect any known public interest in the area. Similarly the proposed action would not be expected to affect cultural uniqueness or diversity because the proposed facility modification would not require additional employees that may result in a potential influx of immigrants with different cultural attributes. Therefore, the proposed project would have no impact on the social structures and mores and cultural uniqueness and diversity in the area.

C. Local and State Tax Base and Tax Revenue

The proposed action would not result in impacts to the local and state tax base and tax revenue because no new employees would be needed as a result of the proposed permit modification and the net change in the potential amount of gravel that can be processed is negligible. Further, the proposed modification would not require significant construction activities. Overall, any impacts to the local and state tax base and tax revenue would be minor.

D. Agricultural or Industrial Production

No additional ground disturbance, construction or significant changes to methods of operation of the permitted facilities that would result in a loss of land capable of supporting agricultural production would occur from the permit modification at the initial location or at other locations the plant may move to throughout the state. The initial location of the gravel plant is already a

developed industrial site and the proposed permit modification does not authorize a significant change to the plant capacity that would result in a significant increase or decrease in industrial production at the site. Similarly when the gravel plant moves to other locations throughout the state those locations are expected to be existing industrial facilities.

E. Human Health

The proposed action would not result in impacts to human health. As explained in Section 7.F of this EA, minor changes may occur in local air quality and additional deposition of pollutants may occur; however, pollutant emissions are not expected to cause or contribute to a violation of any air quality standard and the proposed facility modification has been determined to comply with all applicable air quality rules and regulations. These rules, regulations, and standards are designed to be protective of human health. Therefore no impacts to human health are expected.

F. Access to and Quality of Recreational and Wilderness Activities

The proposed action would be a modification to permitted equipment at an industrial facility located on private land. No public access to recreational or wilderness activities would exist on this private land. Therefore, no impact to access to recreational and wilderness activities would result from the proposed permitting action.

G. Quantity and Distribution of Employment
H. Distribution of Population

The proposed action is not expected to have impacts on the quantity and distribution of employment or the distribution of population in the area because the modifications proposed at the facility would not require additional employees. Current employees in the area associated with facility would be likely to execute any required physical site changes required. No new jobs, or immigration into or emigration is expected.

I. Demands for Government Services

The project would result in minor impacts on the demands for government services because time is required by government agencies to issue MAQP #2622-07 and to assure compliance with applicable rules, standards, and conditions contained in MAQP #2622-07. Overall, any demands for government services to regulate the facility or activities associated with the facility would be minor due to the relatively small size and existing industrial nature of the facility.

J. Industrial and Commercial Activity

No impacts are expected on the local industrial and commercial activity because the proposed action would not modify the ability of this, or similar facilities to produce a product.

K. Locally Adopted Environmental Plans and Goals

The Department is unaware of any locally adopted environmental plans or goals in the area. The permit requires compliance with state standards and goals. The state standards would be protective of the proposed site and the environment surrounding the site.

L. Cumulative and Secondary Impacts

The Department has not identified cumulative and secondary impacts to the economic and social aspects of the human environment in the immediate area due to the proposed permitting action or facility modifications. The proposed permit modification is not expected to change in the industrial production, employment, and tax revenue (etc.) associated with the facility.

Recommendation: No Environmental Impact Statement (EIS) is required.

The current permitting action is for permit modification for an authorized gravel crushing and screening plant. MAQP #2622-07 includes conditions and limitations to ensure the facility will operate in compliance with all applicable rules and regulations. In addition, there are no significant impacts associated with this proposal.

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, Montana Historical Society – State Historic Preservation Office, Natural Resource Information System – Montana Natural Heritage Program

EA prepared by: P. Skubinna
Date: July 9, 2009