



Montana Department of
ENVIRONMENTAL QUALITY

Brian Schweitzer, Governor

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September 23, 2009

Mr. Rob Koelzer
Schellinger Construction Co., Inc
P.O. Box 39
Columbia Falls, MT 59912

Dear Mr. Rob Koelzer:

The Department of Environmental Quality (Department) has made its decision on the Montana Air Quality Permit application for a portable crushing operation. The application was given permit number 4070-01. The Department's decision may be appealed to the Board of Environmental Review (Board). A request for hearing must be filed by October 8, 2009. This permit shall become final on October 9, 2009, 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

Shawn Juers
Environmental Engineer
Air Resources Management Bureau
(406) 444-2049

VW:SJ
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: Schellinger Construction Company, Inc.
P.O. Box 39
Columbia Falls, MT 59912

Montana Air Quality Permit #: 4070-01

Preliminary Determination Issued: 8/21/2009
Department Decision Issued: 9/23/2009
Permit Final:

1. *Legal Description of Site:* MAQP #4070-01 would apply while operating at any location in Montana, except those areas having a Department-approved permitting program and areas considered tribal lands. MAQP #4070-01 and Addendum 2 would allow the portable crushing plant to operate in or within 10 km of PM₁₀ nonattainment areas (Libby, Kalispell, Columbia Falls, Whitefish, Thompson Falls, and Butte) during the summer season (April 1-September 30) and within the NW ¼ of Section 16, Township 29 North, Range 22 West, Flathead County, MT (3431 Farm to Market Road) during the winter season (October 1-March 31).
2. *Description of Project:* The objective of the proposed action is to modify the existing MAQP to allow for greater operational flexibility and change the engine/generator size to 755 hp.
3. *Objectives of Project:* The modifications of this permitting action more accurately reflect the operational needs of this facility.
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 #4070-01 and Addendum 2.
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 | | | xx | | | Yes |
| B | Water Quality, Quantity, and Distribution | | | xx | | | Yes |
| C | Geology and Soil Quality, Stability and Moisture | | | xx | | | Yes |
| D | Vegetation Cover, Quantity, and Quality | | | xx | | | Yes |
| E | Aesthetics | | | xx | | | Yes |
| F | Air Quality | | | xx | | | Yes |
| G | Unique Endangered, Fragile, or Limited Environmental Resources | | | xx | | | Yes |
| H | Demands on Environmental Resource of Water, Air and Energy | | | xx | | | Yes |
| I | Historical and Archaeological Sites | | | xx | | | Yes |
| J | Cumulative and Secondary Impacts | | | xx | | | 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

The current permitting action would increase the emissions of each pollutant by a very small amount. These extremely small emissions increases would not be expected to result in any discernable impact to terrestrial and aquatic life and habitats in areas in which this equipment is already operating. Minor impacts, if any, would be expected to aquatic life and habitats as a result of this permitting action.

B. Water Quality, Quantity and Distribution

The current permitting action would increase the emissions of each pollutant by a very small amount. These extremely small emissions increases would not be expected to result in any discernable impact to water quality in areas in which this equipment is already operating. A very small increase in the amount of water used may be expected. Minor impacts, if any, would be expected to water quantity, quality, and distribution as a result of this permitting action.

C. Geology and Soil Quality, Stability and Moisture

The current permitting action would not be expected to have any discernable impacts to soil quality, stability, and moisture. The permitting action would allow for a small increase in operating time allowed in non-attainment areas; therefore minor affects, if any, to geology and soil Quality, Stability and Moisture would be expected as a result of this permitting action.

D. Vegetation Cover, Quantity, and Quality

The current permitting action would increase the emissions of each pollutant by a very small amount. These extremely small emissions increases would not result in any discernable impact to vegetation cover, quantity, and quality in areas in which this equipment is already operating.

Therefore, minor impacts, if any, would be expected to vegetation cover, quantity, and quality as a result of this permit.

E. Aesthetics

The current permitting action would increase the operation time allowed in non-attainment areas. The crushing and screening operation would be visible and would create additional noise while operating. However, this operation would typically locate within an existing pit. Therefore, minor impacts to area aesthetics would be expected.

F. Air Quality

MAQP #4070-01 contains conditions that would limit emissions to levels determined by the Department, through permitting policy and modeling analysis, which would not cause or contribute to a violation of any current ambient air quality standard.

G. Unique Endangered, Fragile, or Limited Environmental Resources

The Department, in an effort to assess any potential impacts to any unique endangered, fragile, or limited environmental resources contacted the Montana Natural Heritage Program. Search results inferred that two sensitive vertebrate animals known as the Gray Wolf and Black Tern might be located near or within the existing pit. However, the extent of the Gray Wolf habitat area is substantial and it is unlikely that the Gray Wolf would locate near the diesel engine/generator or the industrial activity.

The Black Tern is a bird generally found in freshwater marshes across most of Canada, the northern United States and much of Europe and western Asia. They usually nest either on floating material in a marsh or on the ground very close to water, laying 2-4 eggs. These birds do not dive for fish, but forage picking up items at or near the water's surface or catching insects in flight. They mainly eat insects and fish as well as amphibians. The location of concern for this species is approximately 1 mile east of the existing pit. Due to the minor increase in emissions, it is unlikely that the permit modification would cause any discernable harm to this species.

Additionally, operational conditions and limitations within MAQP #4070-01 would aid in the protection of these resources by protecting the surrounding environment. Therefore, the impacts to unique endangered, fragile of limited environmental resources would be minor.

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

The permitting action would reduce the size of the engine/generator, therefore reducing the potential maximum diesel consumption. However, this permitting action would increase the operation time allowed in non-attainment areas. Therefore, there may be a slight increase in demand for water to run the water spray bars required for emissions control. Overall, the demands on water, air, and energy would be minor.

I. Historical and Archaeological Sites

In an effort to identify any historical and archaeological sites located near the proposed project area, the Department contacted the Montana Historical Society, State Historic Preservation Office (SHPO). According to SHPO records, there are no previously recorded historic or archaeological sites within the proposed area. However, SHPO stated that the absence of cultural properties in the area does not mean that they do not exist, but may reflect a lack of previous cultural resource inventories in the area. Furthermore, this operation is a portable operation and therefore the Department cannot determine the status of any known sites in any new areas this operation may move to. The Department determined that the chance of the existing facility impacting any historical and archaeological sites in the area would be minor due to the relatively small size of the project and because this operation would be expected to move to sites already containing pits.

J. Cumulative and Secondary Impacts

This permitting action has an overall reduction in emissions, with a very slight increase in winter season non-attainment area emissions. Additionally, this facility, in combination with the other emissions from equipment operations at the operational site, would not be permitted to exceed 250 tons per year of non-fugitive emissions. Overall, any cumulative or secondary impacts to the physical and biological aspects of the human environment would be expected to be minor.

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 | | | xx | | | Yes |
| B | Cultural Uniqueness and Diversity | | | xx | | | Yes |
| C | Local and State Tax Base and Tax Revenue | | | xx | | | Yes |
| D | Agricultural or Industrial Production | | | xx | | | Yes |
| E | Human Health | | | xx | | | Yes |
| F | Access to and Quality of Recreational and Wilderness Activities | | | xx | | | Yes |
| G | Quantity and Distribution of Employment | | | xx | | | Yes |
| H | Distribution of Population | | | xx | | | Yes |
| I | Demands for Government Services | | | xx | | | Yes |
| J | Industrial and Commercial Activity | | | xx | | | Yes |
| K | Locally Adopted Environmental Plans and Goals | | | | | xx | Yes |
| L | Cumulative and Secondary Impacts | | | xx | | | Yes |

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

A. Social Structures and Mores

The operation of the diesel engine and the increased production hours would be expected to cause little, if any, additional disruption to the social structures and mores in the area because the source is a minor source of emissions (by industrial standards), and would be located at an existing open pit, and would be expected to have only intermittent operations. Further, the facility would be required to operate according to the conditions that would be placed in MAQP #4070-01 and Addendum 2. Thus, no native or traditional communities would be expected to be affected by the proposed project operations and little, if any, impacts upon social structures or mores would result.

B. Cultural Uniqueness and Diversity

The impacts to cultural uniqueness and diversity of this area would be minor due to modification of the current permit. The predominant use of the area is an existing gravel pit surrounded by agricultural operations. Increased hours of operation associated with this permitting action may increase the proportion of gravel pit related activity in the area. The facility would be considered a portable/temporary source with operations that are expected to be seasonal and intermittent. Therefore, the cultural uniqueness and diversity of the area would be expected to experience minor impacts, if any.

C. Local and State Tax Base and Tax Revenue

The operation of a diesel engine/generator and the increased hours of production to an existing crushing and screening operation would be expected to have little, if any, impact on the local and state tax base and tax revenue. Furthermore, the impacts to local tax base and revenue would be minor because the source would also be portable and the money generated for taxes would be widespread.

D. Agricultural or Industrial Production

The current permitting action would increase the emissions of each pollutant by a very small amount. These extremely small emissions increases would not result in any discernable impact to vegetation cover, quantity, and quality in attainment areas in which this equipment is already operating. Overall, very minor, if any effects to agricultural production would be expected.

E. Human Health

MAQP #4070-01 and Addendum 2 would incorporate conditions to ensure that the facility would operate in compliance with all applicable air quality rules and standards. These rules and standards are designed to be protective of human health. Any impacts would be expected to be minor.

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, little, if any impact to access to recreational and wilderness activities would result from the proposed permitting action.

G. Quantity and Distribution of Employment

The application for this permitting action indicated that up to 11 employees may be employed at the site. This permitting action is not expected to require any significant change in the number of employees. Any change in the quantity and distribution of employment would be minor.

H. Distribution of Population

As described above, only minor, if any, changes in the quantity and distribution of employment would be expected with this permitting action. Therefore, any change in the distribution of population would be expected to be minor.

I. Demands for Government Services

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, however, as an already permitted source, no increase in these services would be required as a result of this permitting action. This permitting action would not be expected to result in any more than a minor increase in traffic on existing roadways. Therefore, the overall demand for government services would be expected to be minor.

J. Industrial and Commercial Activity

This permitting action would not be expected to result in any more than a minor increase in traffic on existing roadways. The facility would continue to be a small industrial source, and be portable and temporary in nature. Therefore, any impacts to the industrial and commercial activity would be minor.

K. Locally Adopted Environmental Plans and Goals

The Department is not aware of any locally adopted environmental plans and goals that would affect Schellinger's operation. The facility would be allowed, by permit, to operate in areas designated by EPA as attainment or unclassified, as well as in certain nonattainment areas. MAQP #4070-01 and Addendum 2 would contain limits for protecting air quality and to keep facility emissions in compliance with any applicable ambient air quality standards. Addendum 2 and MAQP #4070-01 would apply to the Schellinger facility while operating at any location in or within 10 km of certain PM₁₀ nonattainment areas during the summer months (April 1 – September 30) and at sites approved by the Department during the winter months (October 1 – March 31).

L. Cumulative and Secondary Impacts

Issuance of MAQP 4070-01 and Addendum 2 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 source would be portable and temporary. Further, no other industrial operations are expected to result from the permitting of this facility. Any minor increase in traffic would be expected to have little effect 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. Thus, only minor and temporary cumulative and secondary effects would be expected to result.

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

If an EIS is not required, explain why the EA is an appropriate level of analysis: The current permitting action reduces the size of the diesel powered engine/generator size to allow for more hours of operation in nonattainment areas for the operation of a portable crushing operation. MAQP #4070-01 and Addendum 2 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: Shawn Juers
Date: 7/21/2009