

**Final Report  
Project Summary and Permit Review  
'39 Ventures Aggregate Recycling Facility  
Verdi, Nevada**

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## 1. Introduction

The objective of this review is to address the concerns of local residents regarding a planned facility that will recycle concrete and asphalt as well as process on site material. The facility, located on 6.49 acres in West Washoe County, Nevada, will include material management and storage including aggregate crushing for construction projects. The facility will include an aggregate crusher and associated heavy equipment as well as office buildings, parking, and storage facilities. The site has been used for a similar operation, a temporary facility with no permanent infrastructure, associated with Interstate-80 improvements.

The facility is located adjacent to the Sierra Pacific Power Canal, marked on some maps as the “TMWA Hydro Canal” also referred to locally as the “hydro canal” (which flows into the Truckee River) and within 400 feet of the Truckee River. The zoning is Community Commercial (CC) and requires a special use permit for the proposed industrial operation.

The City of Reno modified the master plan and zoning of this parcel in 2014 to be Master Planned Urban Residential/Commercial and zoned Community Commercial. The previous zoning of Industrial in sensitive areas such as wetlands and along rivers is a relic of historic planning prior to the recognized need to protect such resources. In addition to miles of important habitat, there are intakes for Truckee River water used for municipal supply downstream of the proposed facility. This does not preclude industrial use of the property, but operations that can safely be located adjacent and near rivers or other important, sensitive resources should be operated at the highest standard to prevent negative impacts. At a minimum, strict adherence to permitting and other regulations designed to protect human and environmental health is required and a general acceptance that not all industrial activity can happen at those locations.

Historic operations at the site have resulted in hydrocarbon contamination as disclosed by the current owner (Ryan Kautz, personal communication on April 17, 2015). According to data from the owner, an area of 5,000 cubic yards of material containing 1,000 mg/kg Total Petroleum Hydrocarbons (TPH) (TPH assumed as likely analysis, material described as “oil range”, no actual reporting provided) ranging from 2 to 3 feet below land surface ending at approximately 8 to 10 feet has been found. It is not known if the material was contaminated onsite or if it was imported. With groundwater at 15 feet according to the geotechnical report and data on the extent of contamination limited, groundwater investigations are recommended. This need is of further concern due to the proximity of the river to the site and presence of wetlands on and near the property.

On April 17, 2015, Dr. Dietrick McGinnis and Ms. Sarah Peters of McGinnis and Associates LLC, as environmental consultants for the Verdi Community Council, met with Mr. Ryan Kautz, owner of 39 Ventures, Mr. Micheal Pagni, Attorney, and Mr. Mitch Gerlinger, Environmental Consultant, to review the SUP document and conduct a site visit on the 39 Ventures property located in Verdi, Nevada.

## 2. Land Use and Zoning

A zoning map provided by 39 Ventures for this report is included here as Figure 1. The 39 Ventures lot and those across the river have been represented in some discussions as zoned Industrial (personal communication, Ryan Kaultz, April 17, 2015) but is actually zoned Community Commercial, not Industrial, requiring the Special Use Permit discussed below. According to local residents, there is an effort to maintain the general area for a larger greenbelt following the Truckee River to provide recreational opportunities and preserve river and riparian habitat from incompatible development.

This effort to create a greenbelt with low- to no-impact development along the Truckee would be consistent with recent efforts in Reno and Sparks, including the downtown kayak park. It is however, not the case along the Truckee River at all locations within the greater Reno-Sparks area.

In general, there is no current industrial development in the area with the exception of historic operations at the lot. Nearby features include a rail line (no rail spurs on this or adjacent parcels), homes and undeveloped/agricultural use property.

Homes are across the canal from the site although the area zoning includes community commercial to large lot residential and open space. The nearby lots across the canal are zoned community commercial (Figure 2) but are actually being used for residential and are the only buffer between the site and the Truckee River (Figure 3). To the northwest there is a storage business that includes open lots for RV and boat storage. Other homes are near the south boundary of the site and zoned large lot residential shown in Figure 4 as well as immediately to the west as shown in Figure 5. To the southeast there are areas zoned open space and are currently used as a ranch (Figure 6). Tracks from cattle and deer were noted on the site but the owner requested those photos be deleted and not appear in this report.

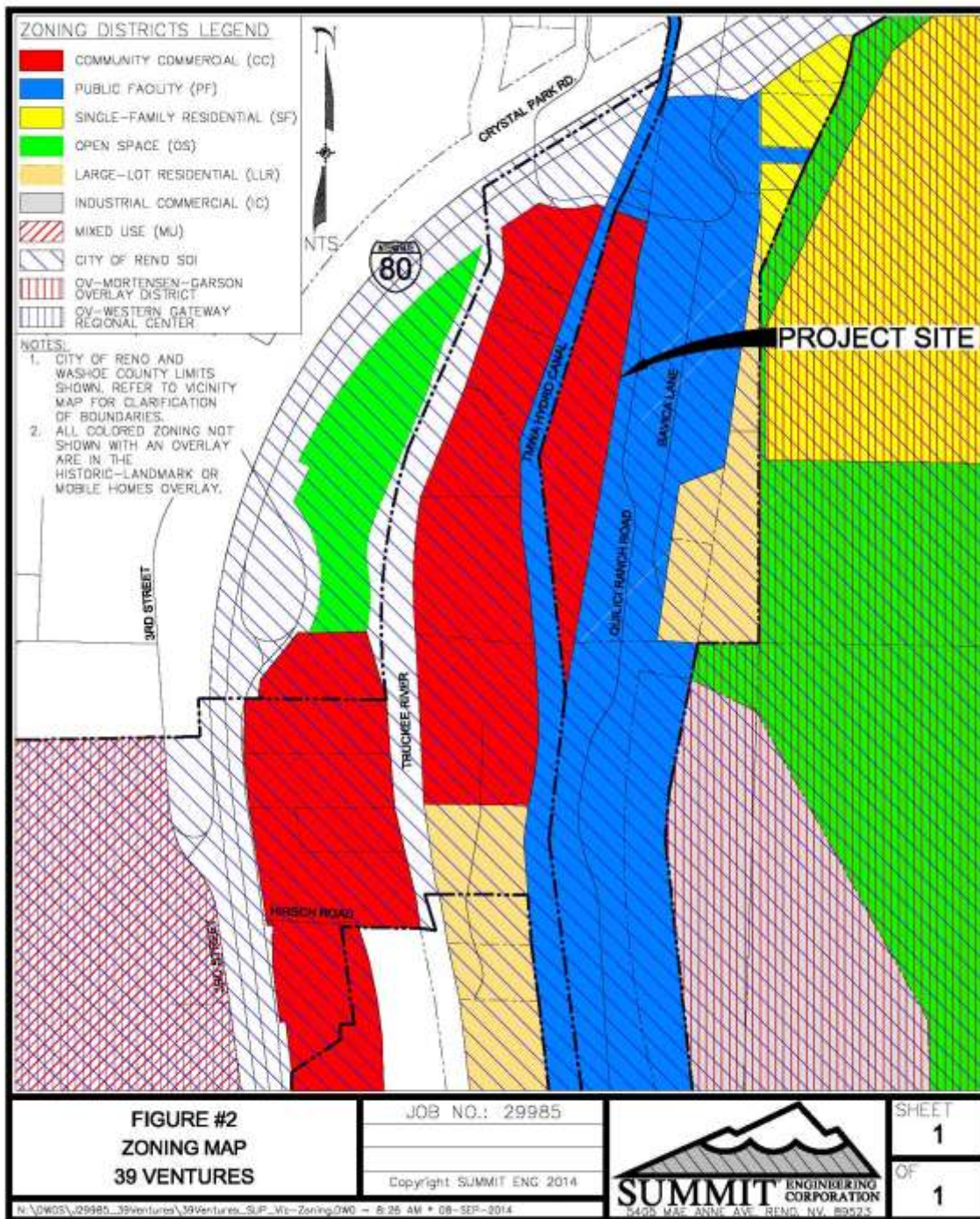


Figure 1. Zoning map provided by 39 Ventures. The lot is zoned community commercial with nearby public facility, open space and large-lot residential.



Figure 2. A home on a lot across the canal from the site (west). The lot is zoned community commercial but is being used as residential.



Figure 3. Homes near the site on a lot zoned community commercial (northwest of the site). Note the Truckee River in the near background and Interstate 80. Photo taken from a material pile onsite.



Figure 4. View to the south from just past the southern perimeter of the site showing the canal and nearby homes.



Figure 5. Residence to the immediate west across the rail line. Photo shows solid waste accumulated along the eastern boundary of the site.



Figure 6. View from near the southern boundary of the site facing south. The view includes scenic ranchland and the rail line. The Truckee River is to the immediate right of the photo.

### 3. Community Issues of Note

Community members have voiced concern for a number of issues that can be detrimental to quality of life and shared resources. These issues include:

- **Traffic:** Road infrastructure is typical for rural residential areas and is narrow with tight curves, and must account for pedestrian traffic without sidewalks, livestock, limited interstate access and bridges with low weight limits.
- **Noise:** The area is already challenged by a busy rail line and interstate; additional noisy industry can add to an already challenging situation with the added concern of a constant noise source compared to current intermittent ones.
- **Dust:** Air quality is a constant challenge for the region; dust control will be important due to the location of nearby homes and issues with dust deposition in the Truckee River, hydro canal, and adjacent wetlands.
- **Water Resources:** The canal and, farther downhill, Truckee River are the principle surface water features for the area. Control of stormwater runoff and dust deposition as indicated above are both important for this location. Wetlands and other surface water features are present at the site (Figure 9).



- **Lighting:** Control of outdoor lighting can be important to preserving the quality of rural residential areas. This is already challenged by lighting associated with advertising on the Interstate-80 making additional outdoor lighting undesirable to residents.

In general, there is a shared community value to preserve the rural residential nature and agricultural history of the area. There is a strong desire among many residents to insure additional development is consistent with these values and with current land use. Adding to this, the area is important to regional water resources; protection of the Truckee River corridor, and the need to consider the addition to existing issues listed above.

#### **4. Site Access**

Site access is summarized in the 39 Ventures Traffic Access and Circulation Study by Solaegui Engineers, LTD. It is acknowledged in the study that “39 Ventures development will have some impact on the adjacent street network.” However, the only recommendations were limited to all signing, striping, traffic control improvements and project driveways comply with City of Reno standards.

During the site visit by McGinnis and Associates LLC staff several items that would be access issues were noted including:

- a. The on and off ramps for Interstate 80 are unusually short in this area and will result in trucks servicing the 39 Ventures facility slowing well before the off-ramp and entering the highway at unusually slow speeds at the on-ramp. The trucks braking on the short off-ramp also have the potential to significantly increase noise experienced by the homeowners in the area (Figure 7) already challenged by the proximity of the interstate and existing projects in the area.
- b. The left turn at the Interstate 80 off-ramp has visibility limits that could be significant to trucks moving through the intersection (Figure 7).
- c. The curve on South Verdi Road between the interstate exit and rail crossing is potentially challenging to large trucks (Figure 7). Damage to the road including bent reflector posts provides an indication of the difficulty in navigating this section of the site access (Figure 8).
- d. There are no sidewalks and, with large trucks navigating tight curves, the road shoulder could be an unsafe place to bicyclist and pedestrians even if they allowed right of way. It should be noted that pedestrians were observed during our site visit.



Figure 7. Google Earth view showing off- and on- ramp for Interstate 80, limited visibility to the south on South Verdi road at the off-ramp and subsequent curves prior to the rail crossing and proposed 39 Ventures site at the bottom center of the figure.



Figure 8. One of the curves between Interstate 80 access and the rail crossing on South Verdi Road. Note the damaged reflector posts in red rectangles where vehicles have been unable to navigate the relatively tight turns.

According to the traffic study, bicyclist were present during the study however, that study for 39 Ventures concluded that “It is our understanding that bicyclists are required to yield the right-of-way to truck traffic on the ±450 feet section of Quilici Ranch Road between Crystal Park Road and the project driveways”. As Figure 7 and Figure 8 indicate, pedestrians and bicyclist sharing the road with large trucks could result in a hazardous situation.

In general, the traffic study results rely on assumptions that may not include actual site conditions. The area services connections between the Truckee River, Verdi and the Tahoe Pyramid Bikeway Route. Cyclists and pedestrians were noted by the 39 Ventures and McGinnis and Associates LLC work respectively so this is a current condition expected to increase with time.

As would be expected in a rural area with appropriately designed infrastructure; the roads were not intended for large trucks associated with industrial use. Increased truck traffic on the road will have a negative effect on its use by current residents and create hazards for pedestrians and bicyclists. The needed revision of the traffic study is outside the scope of this report but these issues should be a component of future planning including traffic studies in the area.

## **5. Noxious Weeds**

The shoulders of Quilicy Ranch Road directly adjacent and across the street from the site are inundated with white top, a well-known invasive weed associated with ground disturbance and mining operations. A weed management plan to avoid the spread of this noxious weed is recommended. The UNR Cooperative Extension can assist in the development of a plan.

## **6. Hydrocarbon Release Issue**

During the April 17, 2015, meeting with Ryan Kautz, his environmental consultant, Mitch Gerlinger, and attorney, Micheal Pagni, it was disclosed that the site includes an area of hydrocarbon contaminated soil. The source is unknown according to 39 Ventures, but an amount of 5,000 cubic yards of material less than 1000 mg/kg (assumed TPH) was discussed. According to Mr. Kautz, the material is buried between 2-3 feet and 8-10 feet. Although Mr. Kautz stated that groundwater was at 20 feet or greater, his geotechnical report stated groundwater is at a minimum depth of 15 feet (report attached see page 5), and surface water was noted in the wetland area on the property in addition to the adjacent flowing canal (Figure 9). The amount of material and association with both groundwater and surface water indicates that the spill was reportable.

McGinnis and Associates LLC conducted follow up discussions with Alison Oakley at NDEP on multiple occasions. On May 13, 2015, Ms. Oakley indicated that NDEP felt that the situation was not a high priority due to the depth to groundwater and other factors. The proximity to surface water including wetlands, the adjacent canal and the Truckee River are all factors that in some situations can require a more comprehensive response. Although additional data may exist, it was not provided in time to be included in this report.



Figure 9. Wetlands surrounding project location (source [www.fws.gov](http://www.fws.gov)). The Truckee River and associated canal (which flows back into the river) can also be seen to the west of the site.

It is recommended that additional follow up with NDEP regarding the issue is conducted. In general, the descriptions of the quantity and concentrations were vague and additional data and documentation is required for a comprehensive assessment of the spill. The threat to groundwater and surface water is a concern and remedial action at the site should be considered. There are likely both removal and onsite treatment options for the material depending on the results of the assessment.

Construction activities documented through photos of site activities do have the potential to expose the hydrocarbon contaminated soil (Figure 10). In addition, information on dust control or stormwater control measures/notification were not provided by Mr. Kautz when requested.



Figure 10. Construction at the 39 Ventures site, photo from May 13, 2015. Excavations including the one to the left foreground have the potential to expose contaminated material while new stockpiles can increase the expense of removal or other remedial actions.

In conclusion, despite requests to 39 Ventures during the site visit, there is a lack of data or documentation available to determine the size, extent or otherwise speak to the parameters of the soil contamination problem. Using the general data presented in the NDEP letter of October 16, 2014, it is likely that some decisions were made regarding response and regulation at the site based on an opinion that the contaminated soil was not a threat to groundwater or surface water. NDEP also appears to have made their decision based on the assumption that no construction would be occurring in the area of the release while 39 Ventures has a complete series of multi-year development plans contrary to this protective measure (Figure 10).

It is recommended to request that NDEP re-examine the site prior to additional construction that may result in releases to the nearby Truckee River or shallow groundwater known to exist in the area.

## 7. Permit Review

McGinnis and Associates LLC have reviewed the following documents associated with the project:

1. Special Use Permit Application
2. Staff Report by Vern Kloos (November 5, 2014)
3. Environmental Noise Assessment
4. Traffic Access and Circulation Study
5. Preliminary On-Site Hydrology Report
6. Geotechnical Investigation
7. Building Permit Application for stockpiling and stock pile and equipment storage

### 7.1. Special Use Permit

A hard copy of the special use permit (SUP) application was received by McGinnis and Associates LLC for review; a soft copy was later provided by Mr. Kautz. A copy of the Granite Construction Company Temporary SUP approved in 2009, was also reviewed for comparison. The following sections show findings and describe comments regarding both permits:

#### 7.1.1. Current 39 Ventures SUP Application

1. Generally, some of the SUP application language used to describe future activities is vague including the following regarding phasing of the project. The text states the second building proposed for construction in Phase 3 to be a “user complimentary to the processing facility”; however, during discussions with Mr. Kautz, the assumption was made that this description would include any business that could operate under the CC classification. This language should be revised to reflect actual intent as to avoid misunderstanding and aide in assurance to the community.
2. The section regarding Site Access states a “minimal number of trips” will be allowed for local use of roads. A qualitative definition of “minimal” needs to be included.
3. The project description is missing two key pieces of information: a) number of employees expected; and b) timeline for the project. This information is required for an accurate understanding of impacts on the community. A timeline for expected activities and appropriate activity updates to the community should be considered.
4. The impact to school bus traffic needs to be addressed. School buses from Mogul use the same I-80 off-ramp as the proposed operation. During school drop off and pick up times, the off-ramp could become jammed and unsafe.
5. The outcome of the TMWA meeting needs to be included in the staff report. Additionally, the discussion regarding fire protection does not address response time and from which fire station personnel would be dispatched from. This is a concern for safety

for surrounding homes and property owners. The text should address how a fire located on the proposed project land would be managed as to not impact surrounding neighbors.

6. An appropriate reference regarding sewage collection and treatment needs to be included. The septic design and potential impact to ground and adjacent surface waters should be discussed prior to approval.
7. The reports do not discuss the impact on the wetlands located on lands partially owned by 39 Ventures (Figure 11 below)



Figure 11. Wetlands surrounding project location (source www.fws.gov).

8. The noise study should be cited and included as an attachment to the report.
9. Under Environment, bullet 2, distance within or adjacent to hydrologic resources, the applicant checked “No”; however, the site is directly adjacent to the TMWA hydro canal, which does not provide drinking water directly to the public, but does discharge directly into the Truckee River which has downstream use for drinking water. Further, as shown in Figure 11 above, the project is directly bordered to the north by wetlands and the south by a Freshwater Pond feature, in addition to the Truckee River within 400 feet of the project and additional wetland and pond features to the southwest of the project.
10. Under the Site Plans, Access, and Circulation Checklist, bullet 9, stormwater management is not addressed in the design language.

11. A breakdown of the economic value of the placement of the facility should be included as the application indicates there is an economic value; however, the value is not described.
12. Discussion of effect on wildlife is not addressed in the current SUP language. As is typical for the area, deer prints were observed on the property in addition to cattle prints.

### **7.1.2. Comparison to Historic 2009 Temporary SUP**

The current SUP Application does not define a timeline for activities. The activity range is broad and timeline undefined. In comparison, the 2009 Temporary SUP for the historic operation outlined a timeline for activities so aggregate processing was limited to a defined schedule of 12, five-day periods for a total of 60 days within a three-year time period during the time period from 6 am to 7 pm. Truck deliveries were estimated approximately 10-60 trips per day, with two thirds of those trips occurring between 11 pm and 6 am during these periods of operation. The operation was also to be abandoned (crushing, material stockpiles, and equipment were to be removed) during the off-season of October through April. The operation schedule was much more defined than the current SUP application language, and does not include the reservation for special projects.

Historic operations include only processing used roadbed materials into new roadbed materials, stockpiling roadbed materials, and materials storage. The current SUP application includes all construction materials, not limiting crushing to road bed materials. Although the applicant states he would not process hazardous materials, he does not describe how he would determine whether material would be unsuitable for processing at his site. Given the applicants pattern of violation, it is in the best interest of the community and the city to have these activities described to ensure appropriate measures are taken.

Only off-site source water was to be used during historic operations. Quantities of water required were approximated to be 4,000 gallons per day during crushing and 100 gallons per day for dust control. These values are not defined in the current SUP. Additionally, the location of water rights and handling of water availability onsite are not defined. This should include how potable water would be managed onsite and what quantity would be required, and how water used for dust control and mitigation would be managed. This should include the size of water trucks given the limited access by narrow roads.

Historic operations utilized portable sanitation facilities. The current project suggests that sanitary facilities will be used, but does not describe how water will be managed for these facilities. There are no water rights on the property, and according to a conversation held with Mr. Kautz, the water rights are located on the Steamboat Canal. A description of the water transportation system should be included.

The current project will require use of public utility, which increases the required infrastructure for the areas current use. Historic operations used portable generators for power; the current project has installed temporary power from the local utility. This is an increase on an infrastructure that was not designed for this type of use. This is a similar issue to water source



and wastewater management. Given the undefined timeline of the project and the broad future scope of the activities, the permanent installation of utility infrastructure should be included as a part of this SUP.

### **7.1.3. Historic Permitting requirements**

1. “A complete dust control plan must be submitted to this Department [Washoe County Health District Environmental Health Services Division] prior to the issuance of a building permit. This plan must be in conformance with Washoe County District Board of Health Regulations Governing Air Quality Management, Section 040.030.”
2. In the Environmental Control Memorandum dated January 16, 2009, comment was made regarding the need for additional stormwater management documentation including *Nevada Contractors Field guide for Construction site Best Management Practices* and *Truckee Meadows Regional Storm Water Quality Management Program Low impact Development Manual*.

### **7.1.4. Special Use Permit Findings**

Statements made in Section E are broad and subjective. Intense traffic generation is relative. Traffic Verdi is generally predictable; the addition of 39 vehicle trips a day, which given the broad scope and timeline of the project description is assumed to be an average of trips during working days, is a significant increase in traffic. It can be assumed from the language of the SUP that regular traffic could be quite more than the “average” 39 trips when operations are in full tilt. More specifics regarding maximum and minimum traffic volumes need to be addressed in the SUP.

Additionally, the east end of Sparks is designed for industrial use; the traffic infrastructure is designed to manage industrial use. The infrastructure in Verdi is not; therefore, it is inappropriate to suggest this project will “relieve traffic” from Sparks to the Verdi area and not expect that it will burden Verdi’s infrastructure.

It is not “obvious” that this facility will contribute to the “area” in a fiscal manner. With no description of employment, job generation cannot be determined. This is a hollow statement without an economic investigation of the potential contribution to the area.

Section F states that an air permit through Washoe County is still required for this project. The emission projections are not included in the SUP. This quantity will determine the permit requirements. As some of the recycled material may have hydrocarbon contaminants, the community would like to see an analysis of contaminants prior to material crushing to ensure Hazardous Air Pollutants are managed and mitigated appropriately.

## **7.2. Noise Report**

Noise: The Noise Report should discuss the effect of noise from the operation on the railroad crossing directly north of the project.

The Noise Report suggests that the average noise level is a constant noise level. Upon review of the tables and graphs provided in the appendices of the report, it is apparent that this average daily noise level includes the periodic noise associated with the railroad crossing. A review of the noise data and graphs shows that there are blocks of time during the early morning and midday where no trains or very few trains use the railroad. At these points, the Leq or average noise level, is close to 45 dBA. This is approximately 20 dBA below the reported “average” in Table 2. The exclusion of a discussion of the effect of the change in non-train associated background noise results in the interpretation that background levels will not be changed by the operation; however, when the background without periodic train noise is calculated, the noise level increase is a consistent 25 to 30 dBA higher. As the report states, “A 10 dBA change is subjectively heard as approximately a doubling of loudness, and can cause an adverse response.” The report should address these non-train background noise levels.

Additionally, the report states an assumption that the tracks have up to 40 trains per day. This may be the maximum allowed currently, but according the noise report, 20 to 22 trains used the rail during the weekday monitoring events, and 24 trains used the rail during the weekend day monitoring events. A reference for the assumed 40 train maximum should be provided within the text.

## **7.3. Hydrology Report**

The report uses runoff coefficients for “existing conditions (Undeveloped Range)” and post development conditions (Industrial). One of the arguments for this site is that it has traditionally been utilized for Industrial use as described – stockpiling and recycling. Is the existing condition really best defined as “Undeveloped Range”? A rationale for this choice versus the development of a runoff curve for Urban Areas – Impervious areas, Dirt should be included in the Hydraulic study. This area is likely to fall under Urban Areas – Impervious areas, Dirt because of its historic use for stockpiling resulting in greater soil compaction from large trucks and moving equipment.

Although outside of the scope of this review, the Hydrology Report requires additional review and potentially a revision by the property owner.

## **7.4. Geotech Report**

The report describes a minimum groundwater depth of 15 feet throughout the site. This is an important detail not highlighted elsewhere. With surface water at and near the site, shallow groundwater is expected.