

**FINDINGS AND CONDITIONS OF APPROVAL FOR COUNTY FILE #CDLP20-02046,
MARATHON PETROLEUM CORPORATION (APPLICANT / OWNER)**

I. FINDINGS

A. CEQA Findings

1. Environmental Impact Report

The Martinez Refinery Renewable Fuels Project proposes to modify the existing Marathon Martinez Refinery to repurpose the Refinery for production of fuels from renewable sources rather than from crude oil. Some existing Refinery equipment would be altered or replaced, and additional new equipment units and tanks would be installed, to facilitate production of fuels from renewable feedstock. Crude oil processing equipment that cannot be repurposed for processing of renewable feedstock would be shut down and removed from the Refinery based on an event-based decommissioning plan. As a result of the project, the facility would no longer refine crude oil into petroleum-based products.

The Department of Conservation and Development determined that an environmental impact report (EIR) was required for the project. Accordingly, the County prepared an EIR for the project (State Clearinghouse# 2021020289). The Final EIR includes a Draft EIR, comments on the Draft EIR, and Responses to Comments on the Draft EIR. The Notice of Preparation of the EIR was posted on February 17, 2021, and a public Scoping Meeting was held on March 15, 2021. Both written and oral comments were received during public comment period and the Scoping Meeting; the Scoping Meeting comments were responded to in the Draft EIR, which was released for public review on October 14, 2021, with a Notice of Availability. A 60-day comment period for the Draft EIR began on October 18, 2021, and ended December 17, 2021. During the comment period, the County received 251 comment letters on the Draft EIR for the project. The comment topics included a wide breadth of concerns from local and state agencies as well as organizations and individuals. The major topics include Project Baseline, CEQA Alternatives, CEQA Cumulative Impacts, Land Use & Feedstock Impacts, and Public Safety.

The County's Responses to Comments received are provided in the Final EIR that has been prepared for the project. The Final EIR also includes County-initiated updates and errata to the Draft EIR. These errata constitute minor text changes to the Draft EIR and occur in Chapter 1 Introduction; Chapter 2 Project Description; Chapter 3 Environmental Impact Analysis, Methodology and Baseline, Section 3.3 Air Quality, Section 3.4 Biological Resources, Section 3.5 Cultural Resources, Section 3.8 Greenhouse Gas Emissions, Section 3.9 Hazards and Hazardous Materials, Section 3.10 Hydrology and Water Resources,

Section 3.15 Utilities and Service Systems; and Chapter 4 Cumulative Impacts. All changes are identified in chapter 4 of the Final EIR. The changes were made primarily to correct grammatical and typographical errors, as well as to improve accuracy and readability of certain passages. The text changes are not the result of any new significant adverse environmental impact, and do not alter the effectiveness of any mitigation included in the pertinent section, and do not alter any findings in the Draft EIR.

2. Findings Regarding Potential Environmental Impacts

"No Impact" or "Less than Significant Impact"

Contra Costa County is the lead agency under the California Environmental Quality Act (CEQA) for preparation, review, and certification of the EIR for the Martinez Refinery Renewable Fuels Project. As the lead agency, the County is also responsible for determining the potential environmental impacts of the proposed action, which of those impacts are significant, and which impacts can be mitigated through imposition of feasible mitigation measures to avoid or minimize such impacts to a level of "less than significant." The EIR for the project considered the project's impacts, which are summarized in Table ES-1 of the Draft EIR. The project would have either no impacts or less than significant impacts related to Agriculture and Forestry, Mineral Resources, Population and Housing, Recreation, and Wildfire. Potentially significant impacts were also identified, all of which can be mitigated to a less-than-significant level. These impacts affect the environmental topics of:

- Air Quality
- Biological Resources
- Geology and Soils
- Greenhouse Gas Emissions
- Hazards and Hazardous Materials
- Hydrology and Water Quality

Environmental analysis contained in the EIR determined that measures were available to mitigate these potential adverse impacts to less-than-significant levels. The recommended mitigation measures are included within the Mitigation Monitoring and Reporting Plan, which describes the timing and responsible agency for monitoring compliance with all mitigation measures. The mitigation measures have also been incorporated into the recommended conditions of approval.

Significant Unavoidable Environmental Impacts

Pursuant to Public Resources Code Section 21081 and CEQA Guidelines Section 15091, no public agency shall approve and carry out a project where an EIR has been certified, which identifies one or more significant impacts on the environment that would occur if the project is approved, unless the public agency makes one or more findings for each of those significant impacts, accompanied by a brief explanation of the rationale for each finding. The possible findings, which must be supported by substantial evidence in the record, are:

- Changes or alterations have been required in, or incorporated into, the project that mitigate or avoid the significant impact on the environment.
- Changes or alterations are within the responsibility and jurisdiction of another public agency and have been, or can and should be, adopted by that other agency.
- Specific economic, legal, social, technological or other considerations make infeasible the mitigation measures or project alternatives identified in the EIR.

The EIR for the proposed project identified six significant and unavoidable impacts related to air quality, biological resources, hazards, and water quality, including:

Air Quality

Impact AQ-2: NO_x emissions from rail traffic in Placer County and marine vessels in the SJVAPCD would exceed significance thresholds, resulting in significant and unavoidable impacts. The County has no authority to impose mitigation measures on rail traffic based on federal preemption, even if any were feasible, on that activity. The NO_x emissions from marine vessels (tugs and barges) and rail traffic in the SJVAPCD region are estimated to be 27.06 tpy which would exceed the SJVAPCD CEQA threshold of 10 tpy, with a majority (26.3 tpy) from marine vessels. The overall project will decrease NO_x emissions by over 500 tpy. The majority of the emission reductions would take place in the BAAQMD. However, as documented in the EIR, it is well known that Bay Area emissions are transported to the San Joaquin Valley and contribute to air quality standard violations in that region. Therefore, a substantial reduction in NO_x emissions in the Bay Area would have a positive effect on air quality in the San Joaquin Valley. Additional mitigations are not warranted given the overall reductions in NO_x emissions and explanation of likely reduced NO_x in San Joaquin Valley from reductions in NO_x in the BAAQMD jurisdiction.

Thus, the project has incorporated components which avoid or substantially lessen the significant environmental effect.

Impact AQ-4: Though the Project would result in an overall reduction in air emissions from the Refinery due to the reduction in the volume of feedstock refined at the facility, cumulative criteria pollutant health risk (i.e., emissions from the Project plus other development in the vicinity of the Project Site) would continue to exceed regional air quality thresholds of significance, and this impact would remain cumulatively significant and unavoidable. The maximum annual average PM_{2.5} concentration at both residential and worker receptors exceeded the significance threshold of 0.8 ug/m³. PM_{2.5} concentrations were highest in the immediate vicinity of highways and around the cement and aggregate materials handling operations located to the southwest of the facility. The highest residential receptor was located immediately adjacent to Interstate Highway 680, and nearly all PM_{2.5} at that receptor was due to highway mobile source emissions. The highest worker receptor was at the Valley Relocation & Storage Moving Company located across Highway 4 from the cement and aggregate materials handling operations. Over 95 percent of the PM_{2.5} at this receptor was from the two materials handling operations. The impact at other residential and worker receptors was below the threshold of 0.8 µg/m³. Project PM_{2.5} concentrations are negative (pre- Project PM_{2.5} concentrations exceed post-Project PM_{2.5} concentrations); therefore, implementation of this Project would reduce overall PM_{2.5} concentrations. Additional emissions reductions from non-Project sources would be required to reduce the PM_{2.5} concentration to below the significance threshold. Reductions from other sources are outside the purview of this Project; therefore, the impact on cumulative PM_{2.5} concentration is significant and unavoidable.

Biological Resources

Impact BIO-8: Adverse impacts to special status species, protected habitats, and migratory corridors and nursery sites for native species as a result of a major spill would remain significant and unavoidable. Marathon would be required to update the Refinery's Facility Response Plan (FRP) and Spill Prevention, Control, and Countermeasure Plan (SPCC) to demonstrate preparedness to respond to vegetable oil and animal fat spills. However, there are limitations to thorough containment and cleanup of a major oil spill. As was determined in the Avon and Amorco EIRs certified by the SLC, even with specific procedures to protect sensitive biological resources in the Project vicinity, adverse impacts to special status species, protected habitats, and migratory corridors and nursery sites for native species as a result of a major spill would remain significant and unavoidable. The EIR imposes mitigation measures BIO-1b, BIO-1c and HAZ-1, which require updates and implementation of spill response plans, but discloses that those measures would be

unlikely to mitigate the project's impact to a less-than-significant level, and impacts would be significant and unavoidable.

Impact BIO-9: Adverse impact to special status species, protected habitats, and migratory corridors and nursery sites for native species from introducing new nonindigenous aquatic species via ballast water and vessel biofouling to the San Francisco Bay Estuary waters remains significant and unavoidable. The EIR imposes mitigation measures BIO-9a but discloses that those measures would be unlikely to mitigate the project's impact to a less-than-significant level, and impacts would be significant and unavoidable.

Hazards and Hazardous Materials

Impact HAZ-1: Increased vessel calls would increase the potential for corresponding accidental releases of renewable fuel or feedstocks which would be significant and unavoidable. The EIR imposes mitigation measures BIO-1b, BIO-1c and HAZ-1, which require updates and implementation of spill response plans, but discloses that those measures would be unlikely to mitigate the project's impact to a less-than-significant level, and impacts would be significant and unavoidable.

Water Quality

Impact HWQ-1: Consequences of a large spills could result in significant residual impacts. Though the probability of a serious spill would be minimized to the extent feasible with mitigation measures, a large spill could still occur and result in impacts on water quality that would be significant and unavoidable. The EIR imposes mitigation measures BIO-1b, BIO-1c and HAZ-1, which require updates and implementation of spill response plans, but discloses that those measures would be unlikely to mitigate the project's impact to a less-than-significant level, and impacts would be significant and unavoidable.

3. Findings on Alternatives to the Martinez Renewable Fuels Project

Alternatives Considered but Eliminated from Further Consideration

The County finds that each of the alternatives eliminated from further consideration in the Draft EIR is infeasible, would not meet most project objectives, and/or would not reduce or avoid significant impacts of the Project, for the reasons detailed in Chapter 5 of the Draft EIR.

Alternatives Analyzed in the EIR

In accordance with CEQA and the CEQA Guidelines, Chapter 5 of the Draft EIR evaluated a reasonable range of alternatives to the Martinez Renewable Fuels Project. The EIR's analysis examined the feasibility of each alternative, the environmental impacts of each alternative, and each alternative's ability to meet the project objectives described in Chapter 1, Section 1.2 of the EIR. In accordance with CEQA and the CEQA Guidelines, the alternatives analysis included an analysis of a no-project alternative and identified the environmentally superior alternative.

FINDING: The County certifies that it has independently reviewed and considered the information on alternatives provided in the Draft EIR and in the administrative record. For the reasons set forth below, the County finds that the alternatives either fail to avoid or substantially lessen the Project's significant impacts (and in some cases increase or create new significant and unavoidable impacts) or are "infeasible" as that term is defined by CEQA and the CEQA Guidelines.

The Draft EIR evaluated three alternatives to the Project:

- Alternative 1 – No Project Alternative
- Alternative 2 – Reduced Renewable Feedstock Throughput Alternative
- Alternative 3 – Green Hydrogen Alternative

Brief summaries of these alternatives and findings regarding these alternatives are provided below.

1) Alternative 1 – No Project Alternative

Under the No Project scenario, the proposed Renewable Fuels Project would not proceed. Rather, Refinery operations would resume as described in Section 2.4 of the Draft EIR. Current permits and entitlements for crude oil refining would remain unmodified and in effect, and the Refinery would operate under those current permits and entitlements. The Refinery's operations are currently permitted by the Bay Area Air Quality Management District to have a crude oil refining capacity of 161,000 barrels per day (bpd). For the 5 years prior to the submittal of land use and air permit applications for the Project, actual Refinery throughput averaged approximately 121,000 bpd. The Refinery would operate 24 hours a day, 7 days a week with an estimated 700 workers consisting of production and maintenance employees on rotating shifts and administrative staff. (See Draft EIR, Chapter 5, Section 5.2.1)

FINDING: In accordance with Public Resources Code Section 21081(a)(3) and CEQA Guidelines Section 15091(a)(3), the County finds that specific legal, social, technological, or other considerations, including failure to meet project objectives, render the No Project alternative infeasible. This alternative would not achieve most of the objectives of the proposed project, with the exception of maintaining quality jobs. Moreover, the No Project Alternative would result in the same impacts to aesthetics, biological resources, hazards and hazardous materials, hydrology and water quality, land use and planning, noise, and public services as the proposed Renewable Fuels Project and would result in more severe impacts to air quality, energy use, greenhouse gas emissions, transportation, and utilities and service systems than the proposed Renewable Fuels Project. For these reasons, the County rejects this alternative.

2) Alternative 2 – Reduced Renewable Feedstock Throughput Alternative

This alternative would involve conversion of the Refinery from a crude oil processing facility to a facility for the refining of renewable fuels at a reduced capacity compared to the proposed Project. As noted in the Project Description (Section 2.5.2 of the Draft EIR), the proponent anticipates phasing in the Project over two years, with an interim throughput of 23,000 bpd. In the Reduced Renewable Feedstock Throughput alternative, renewable feedstock throughput would not increase beyond this interim maximum. Other components of the Project, including installation of equipment necessary for renewable fuels refining, decommissioning and demolition of crude oil processing units, and changes to pipelines at the Avon and Amorco marine oil terminals (MOTs), would be components of this alternative. The refinery would continue to operate 24 hours per day, 7 days per week, with a level of staffing comparable to the proposed Project (130 to 150 workers) on a rotating shift basis. (See Draft EIR, Chapter 5, Section 5.2.2)

FINDING: In accordance with Public Resources Code Section 21081(a)(3) and CEQA Guidelines Section 15091(a)(3), the County finds that specific legal, social, technological, or other considerations, including failure to meet project objectives, render the Reduced Renewable Feedstock Throughput alternative infeasible. By limiting renewable feedstock throughput, this alternative would generate fewer jobs, would result in a lower volume of renewable fuels being produced and brought to market to support the State's renewable energy goals, and would not achieve the Project objectives as well as the proposed project. For these reasons, the County rejects the Reduced Renewable Feedstock Throughput alternative as infeasible.

3) Alternative 3 – Green Hydrogen Alternative

In the Green Hydrogen alternative, green hydrogen would be used in the renewable fuels refining process. In contrast to the existing steam methane reforming technology that separates hydrogen atoms from hydrocarbon fuel molecules using the Refinery's existing infrastructure, green hydrogen uses electricity from renewable energy sources to produce hydrogen via electrolysis of water molecules into their constituent elements of hydrogen and oxygen. Under this alternative, the proposed throughput would not change from the proposed Project's throughput of 48,000 bpd of renewable feedstock, though green hydrogen from water electrolysis would be used in the refining process instead of the steam-methane reforming process. (See Draft EIR, Chapter 5, Section 5.2.3)

FINDING: In accordance with Public Resources Code Section 21081(a)(3) and CEQA Guidelines Section 15091(a)(3), the County finds that specific legal, social, technological, or other considerations, including failure to meet project objectives, render the Green Hydrogen alternative infeasible. While the Green Hydrogen alternative would meet many project objectives, this alternative would not meet the project objective of repurposing and reusing existing Refinery infrastructure. Instead, it would require installation of a new hydrogen plant and renewable energy source(s), such as wind turbines or photovoltaic panels, as a power source for the new hydrogen plant. The County has assumed, for purposes of evaluating this alternative, that the renewable energy source would be solar because wind farms are limited to the County's easternmost areas under General Plan policy (Policy 8-49). Because this alternative would require construction of a renewable energy source on-site, the developed footprint of the Site could increase with installation of solar panels on currently undeveloped lands at the Site. The need for a renewable energy source such as solar means that the Green Hydrogen alternative may have greater impacts on aesthetics, biological resources, and cultural and tribal resources than the proposed Project. A photovoltaic array of sufficient size to provide electricity to a new green hydrogen plant could create a new source of light and glare along the Site's marshes or shoreline. This expansion of infrastructure into largely natural areas outside of the Refinery equipment area would change the existing industrial appearance of the property and could interfere with views of Mt. Diablo from the shoreline, in conflict with County General Plan Goal 9-F and Policy 9-25. Further, among the alternatives evaluated in the EIR, the Green Hydrogen alternative would result in the greatest long-term impacts to biological resources as a result of modifying the natural environment to develop several hundred acres undeveloped acres for use as a photovoltaic array. Finally, the installation of renewable energy infrastructure on currently undeveloped land required by the Green Hydrogen alternative has the potential to disturb unknown historic archaeological and

cultural resources. For these reasons, the County rejects the Green Hydrogen alternative as infeasible.

Environmentally Superior Alternative

FINDING: While the County finds that the Reduced Renewable Feedstock Throughput Alternative is the environmentally superior alternative because it would not result in impacts greater than the proposed Project and would in many cases result in reduced impacts compared to the proposed Project, the County also finds that the Reduced Renewable Feedstock Throughput alternative is infeasible under Public Resources Code Section 21081(a)(3) and CEQA Guidelines Section 15091(a)(3) because it would not meet many of the basis project objectives. The Reduced Renewable Feedstock Throughput alternative is infeasible because it would generate fewer jobs, result in a lower volume of renewable fuels being brought to market to support the State's renewable energy goals, and would not achieve the Project objectives as well as the proposed project. For these reasons, the County rejects the environmentally superior alternative as infeasible. The County further finds that of the remaining alternatives evaluated in the EIR, each has varying levels of impacts on different environmental resources, as noted in the Findings above, and none of the remaining alternatives is superior to the Project for CEQA purposes. Compared to the remaining alternatives, the Martinez Renewable Fuels Project provides the best available and feasible balance between maximizing attainment of the project objectives and minimizing significant environmental impacts, and the Project is the environmentally superior alternative among those options.

4. **Statement of Overriding Considerations**

As required under Public Resources Code section 21081 and CEQA Guidelines Section 15093, the County, having reviewed and considered the project EIR, all other written materials within the administrative record, and all oral testimony presented at public hearings and other public meetings on the project EIR, has balanced the benefits of the proposed project against the identified unavoidable adverse impacts associated with the project, and hereby adopts all feasible mitigation measures with respect to such impact, certifies the project EIR, and approves this project. After balancing the specific economic, legal, social, technological, and other benefits of the proposed project, the County has determined that the significant and unavoidable adverse impacts identified above are acceptable due to the following specific considerations in the record, which outweigh the unavoidable, adverse environmental impacts of the Martinez Renewable Fuels Project. Each of the considerations in the record, standing alone, is sufficient to support approval of the project, in accordance with CEQA.

The following legal requirements and benefits of the proposed project individually and collectively outweigh the potentially significant unavoidable adverse impacts for the following reasons:

- 1) The proposed project would repurpose the existing Marathon Martinez Refinery to a renewable fuels production facility allowing the continued operation of an existing industrial facility, preserving high quality jobs in the Martinez area, as well as, minimizing construction activities and related land use impacts associated with producing renewable fuels compliant with California LCFS.
- 2) The proposed project would reduce hazard impacts at the facility by eliminating further refining of crude oil, reducing the use and volumes of hazardous materials at the Marathon Martinez facility, and reducing the number of operating units at the Facility. Instead, the Facility would use non-hazardous renewable feedstocks as opposed to crude oil to produce transportation fuels.
- 3) The proposed project would result in large air quality benefits by reducing air emissions associated with the operation of the Martinez Facility. The emission reductions from the proposed project include nitrogen oxides (539.47 tons/year), sulfur dioxide (651.89 tons per year), carbon monoxide (598.64 tons per year), precursor organic compounds (POCs) (91.90 tons per year), particulate matter less than 10 microns in diameter (PM₁₀) (246.69 tons per year) and PM_{2.5} (221.09 tons per year), providing large air quality benefits in the local Martinez and Bay Area. These emission reductions are associated with the shutdown of a number of refinery units, as well as emission reductions from marine vessels, employee vehicles, and trucks. Furthermore, by reducing emissions of air pollutants from existing conditions, the project will forward the goals of the Bay Area Air Quality Management District's 2017 Clean Air Plan. Specifically, the project would be consistent with the plan's Refinery Emissions Reduction Strategy by eliminating sources associated with petroleum refining, and with the plan's call for refineries to transition to clean energy companies by 2050.
- 4) The proposed project would result in a reduction in toxic air contaminants from the Martinez Facility, resulting in a reduction in cancer risk and chronic health impacts across all receptors within the local Martinez area. This reduction provides a beneficial health impact to all land uses adjacent to the Martinez Facility.
- 5) The project would provide emission reductions throughout the Bay area by reducing emissions from marine vessels, including nitrogen oxides (245.02 tons/year), sulfur dioxide (401 tons per year), carbon monoxide (4.62 tons per year), precursor organic

compounds (15.23 tons per year), PM₁₀ (27.40 tons per year) and PM_{2.5} (10.18 tons per year), providing a beneficial air quality impact in the Bay Area.

- 6) The proposed project would produce renewable fuels in compliance with California's Low Carbon Fuel Standard (LCFS) mandates, to help allow California to achieve substantial progress towards meeting its renewable energy goals. The LCFS was designed to reduce the State's reliance on petroleum-based fuels and encourage the use of less carbon-intensive fuels in the transportation sector. California officials have identified the LCFS as the centerpiece to the state's efforts to combat climate change, e.g., CARB's 2008 Climate Change Scoping Plan and its subsequent updates. Under California Assembly Bill (AB) 32, the Global Warming Solutions Act of 2006, refineries are subject to regulations aimed at reducing California's global warming emissions and transitioning to a sustainable, low-carbon future (CARB 2021). The latest Update to the Climate Change Scoping Plan (CARB 2017) sets goals of a 40-percent GHG emission reduction below 1990 emission levels by 2030 and a substantial advancement toward the 2050 goal to reduce emissions by 80 percent below 1990 emission levels. Key provisions of AB 32 include the Low-Carbon Fuel Standard, which is intended to reduce California's dependency on petroleum by encouraging the provision of low-carbon and renewable alternative fuels, and the Cap-and-Trade Regulation, which discourages major sources of GHG emissions and encourages investment in cleaner, more efficient technologies. By increasing production of renewable fuels, the project will provide a mechanism for compliance with these provisions through providing facilities in California.

- 7) The proposed project would provide a direct benefit on climate change by decreasing greenhouse gas emissions (88,456 metric tons of CO₂e per year) from stationary mobile sources at the Martinez Facility, as well as mobile sources that visit the Facility. Governor Newsom's Executive Order N-79-20 states: "clean renewable fuels play a role as California transitions to a decarbonized transportation sector" and "to support the transition away from fossil fuels consistent with the goals established in this Order and California's goal to achieve carbon neutrality by no later than 2045, the California Environmental Protection Agency and the California Natural Resources Agency, in consultation with other State, local and federal agencies, shall expedite regulatory processes to repurpose and transition upstream and downstream oil production facilities..." The Governor's Order also directs CARB to "develop and propose strategies to continue the State's current efforts to reduce the carbon intensity of fuels beyond 2030 with consideration of the full life cycle of carbon. Additionally, the California Air Resources Board's November 19, 2020, "California's Greenhouse Gas Goals and Deep Decarbonization" presentation anticipates that biofuels will comprise 19 percent of the

transportation “fuel” sector by 2045.” As a major producer of renewable fuels, the project would materially contribute to California’s efforts to meet the goals of Executive Order N-79-20.

- 8) The proposed project would produce renewable fuels that significantly reduce the lifecycle generation of greenhouse gas emissions, as well as other criteria pollutants, including particulate matter, as compared to the manufacture and use of transportation fuels from fossil-fuel feedstocks.
- 9) The proposed project would reduce emissions from mobile sources by providing cleaner burning fuels in sources that use the renewable fuels, e.g., the Bay Area and California. These emission reductions provide a large air quality benefit as they would occur throughout California or wherever the renewable fuels are used.
- 10) The proposed project would result in beneficial impacts on energy demand by decreasing the electricity and natural gas demand from the Martinez Facility. Reducing natural gas and electricity consumption assists the public utilities to meet the state’s Renewable Portfolio Standard.
- 11) As evaluated in Section 3.14 – Transportation of the EIR, the proposed project would be consistent with CEQA Guidelines Section 15064.3(b) by resulting in a reduction in vehicle miles travelled from both employee and truck trips.
- 12) Recycling organic wastes and by-products such as used cooking oils, rendering wastes, and other fats, oils, and greases has a number of environmental and economic benefits. These include reducing demand on landfill space, reducing the carbon footprint of fuels, and generating a second revenue stream from the same material. By accepting large quantities of recyclable fats, oils, and grease to be processed into renewable fuels, the project will help realize those benefits.

In balancing the benefits of the overall project described above with the proposed project’s unavoidable and significant adverse environmental impacts, the County finds that the proposed project’s benefits individually and collectively outweigh the unavoidable adverse impacts, such that these impacts are acceptable. The County further finds that substantial evidence presented in the FEIR supports adopting the FEIR despite the proposed project’s potential adverse impacts.

B. Growth Management Element Performance Findings

1. Traffic: The traffic impacts have been reviewed in the July 27, 2021 Transportation Analysis provided by the applicant and are not expected to have any permanent negative impacts on local traffic patterns. The report was prepared in compliance with Measure C 1998 requirements. The project includes conversion of the existing Refinery from its production of fossil fuels to the production of renewable fuels, including renewable diesel, renewable propane, renewable naphtha, and, potentially, renewable jet fuel. The Project would not include any housing or surrounding retail. The Project would involve short-term construction activities and is not anticipated to create a significant increase in the number of permanent jobs at the Refinery. In this context, the Project is not expected to spur new regional population or employment growth and will not result in significant growth-inducing impacts.
2. Water: The Refinery currently consumes 3,100 to 3,300 million gallons of fresh water per year. The Project is expected to reduce the overall water use at the facility by about 70 percent or about 1,310 – 1,320 million gallons of fresh water per year. Therefore, the proposed Project would not require additional water and would decrease water use. Further, the proposed Project would not result in the relocation or construction of new or expanded public water facilities.
3. Sanitary Sewer: The Project would result in decreases in throughput, production and employment at the Refinery, which in turn would be anticipated to result in generation of a lower volume of waste as compared to prior Refinery operations. The Pretreatment Unit produces a wastewater stream that would require partial pretreatment prior to treatment in the existing wastewater treatment facility. Existing tanks would be utilized and repurposed for equalization and biological treatment of the waste stream. Since Marathon treats its wastewater generated from the facility, the project will have no impact on any public wastewater treatment provider.
4. Fire Protection: Refinery operators maintain internal fire response teams and systems for the developed areas of the Refinery. On-site fire suppression systems include fire pumps, foam systems, firefighting engines and trucks, and fire hydrants spaced 200 feet apart in refining process areas and tank farms. As a supplemental fire protection resource, the Refinery and other Bay Area refineries and industrial facilities are members of the Petrochemical Mutual Aid Organization. CCCFPD has in prior years been called to respond to incidents at the Refinery. Additionally, a portion of the Project Site is currently provided emergency fire and emergency medical technician response services by the Contra Costa County Fire Protection District. The closest operating fire station to the Refinery is Contra Costa Fire Station 9, located at 209 Center Avenue in the unincorporated community of Pacheco, approximately 1.6 miles southwest of the Refinery. Access to the Refinery from Station 9 is via public streets (Center Avenue, Marsh Drive, and Solano Avenue). The closest fire station to the Amorco MOT is Station 14 located at 521 Jones Street in the City of Martinez. Access to the terminal from the fire station is via an approximately 1.4-mile route along Alhambra Avenue to Marina Vista Avenue.

5. Public Protection: The Refinery maintains its own private security staff and security infrastructure for day-to-day Site security needs. Public safety services for the Refinery and two terminals are and would continue to be provided by the County Sheriff's Department, the Martinez Police Department and the California Highway Patrol. Police protection services within the City of Martinez are provided by the Martinez Police Department (MPD). As of 2020, the MPD included 33 sworn officers and four vacant positions. The Project would involve short-term construction activities and is not anticipated to create a significant increase in the number of permanent jobs at the Refinery. In this context, the Project is not expected to spur new regional population or employment growth and will not result in significant growth-inducing impacts. Since the project is not expected to induce population growth, no additional demand for public protection services is expected.
6. Parks and Recreation: Recreational facilities proximate to the Project Site include publicly-owned and publicly accessible parks and open spaces, as well as privately-owned lands on the Refinery property. Just east of the Refinery and Avon MOT are several hundred acres of undeveloped marshlands that include the Point Edith Wildlife Preserve, a 761-acre tidal area accessible to the public for wildlife viewing and hunting. The Preserve is managed by the California Department of Fish and Wildlife and located north of the Refinery's on-site marshlands. The closest Martinez City owned park to the Amorcó MOT is Waterfront Park, located approximately 2,500 feet west of the property line of the terminal. Approximately 76 acres at the southern end of the Project Site is developed with a complex of recreational baseball, softball and soccer fields that are used by local sports clubs and teams but are part of the property owned by Marathon. The Project would involve short-term construction activities and is not anticipated to create a significant increase in the number of permanent jobs at the Refinery. In this context, the Project is not expected to spur new regional population or employment growth and will not result in significant growth-inducing impacts. Since the project is not expected to induce population growth, no additional demand for parks and recreation facilities is expected.
7. Flood Control and Drainage: The operating portions of the Project Site where modifications and/or construction is proposed are designated Zone X by the FEMA, which means that it is an area determined to be an area of minimal flood hazard. Project construction activities would not result in physical changes in these designated areas. Therefore, the Project would not create or substantially increase risks from flooding. Project activities are not expected to result in the construction of additional impervious surfaces that would substantially alter existing drainage patterns. There are no streams, rivers or other natural drainages within the Project Site that would be impacted by the construction of new units or equipment. Stormwater and surface runoff within the Project Site are already treated within the existing wastewater treatment plant and managed under a NPDES permit. Construction activities are not expected to substantially alter drainage patterns to impede or redirect flood flows. Thus, the project is not expected to impact the flood control or drainage systems or facilities in the County.

C. Land Use Permit Findings

1. The project shall not be detrimental to the health, safety, and general welfare of the County.

Project Finding: The EIR for the proposed Project identified significant impacts that cannot be fully mitigated to less-than-significant levels with implementation of identified mitigation measures. These significant and unavoidable impacts include marine biological resources, hazards, and hydrology and water quality related to marine vessel accidents, and air quality related to rail and vessel emissions outside the San Francisco Bay Area Air Basin. The County may only approve the Project with significant adverse environmental impacts that are not mitigated if the agency finds that specific economic, legal, social, technological or other considerations, including provision of employment opportunities for highly trained workers, make imposition of mitigation measures or Project alternatives infeasible (CEQA Guidelines Section 15091). When a public agency determines that a project will have significant and unavoidable effects, Public Resources Code section 21081(b) requires that the public agency make findings of overriding considerations to demonstrate that economic, legal, social, technological, or other benefits of the project outweigh the significant environmental effects of the project. Accordingly, the County has made the requisite findings of overriding consideration and has found that the potential benefits of the project do in fact outweigh the environmental impacts. The project's benefits include providing jobs, improving air quality, reducing the amount of hazardous materials in the area, reduction in greenhouse gas emissions, and decrease energy (electricity and natural gas) demand at the facility.

The EIR also identifies potentially significant impacts related to: construction-related air emissions; odor; marine and avian biological resources (non-spill related); cultural resources; seismicity; hazards; and tribal cultural resources. However, mitigation measures are identified for these impacts that ensure the Project will not cause a significant impact on the environment. The recommended mitigation measures are included within the Mitigation Monitoring and Reporting Plan, which describes the timing and responsible agency for monitoring compliance with all mitigation measures. The mitigation measures have also been incorporated into the recommended conditions of approval. Therefore, based on the foregoing, the Project will not be detrimental to health, safety, and general welfare of the County.

The applicant has agreed to enter into a Community Benefits Agreement that provides financial support of workforce training and development and sustainability initiatives within Contra Costa County. This agreement directly supports the general welfare of the County and its residence through the commitment of one million dollars annually for a period of 10 years.

As detailed in COA #32, the applicant is required to ensure the long-term reusability of the project site by implementing a Work Plan for the demolition and cleanup of the site. The condition requires the applicant to provide financial assurances for the removal of obsolete equipment and site remediation of hazardous materials. This assurance and

continued effort at cleaning up the site will ensure the project is not detrimental to the long-term health, safety, or general welfare of the County and its residents.

2. The project shall not adversely affect the orderly development within the County or the community.

Project Finding: All elements of the Martinez Refinery Renewable Fuels Project would be located within the existing boundaries of the refinery property already developed for refining operations. The primary elements of the project will be within the portion of the lands designated for Heavy Industry use by the County General Plan and zoned Heavy Industrial ("H-I") under the Contra Costa County Ordinance Code. Pursuant to these designations, refining and other manufacturing operations are allowed and are permitted uses, respectively. Based on the foregoing, the Project will not adversely affect the orderly development of property with the County.

Condition of Approval #34 requires the applicant to ensure the long-term reusability of the project site by implementing a Work Plan for the demolition and cleanup of the site. The condition requires the applicant to provide financial assurances for the removal of obsolete equipment and site remediation of hazardous materials. This assurance and continued effort at cleaning up the site will ensure the project site is not burdened with obsolete equipment and hazardous materials that would prevent or hinder future development in the County.

3. The project shall not adversely affect the preservation of property values and the protection of the tax base within the County.

Project Finding: The Refinery has operated as a facility for the production of petroleum-based fuels on the Project Site since its initial construction in 1913. The construction and operation of the project will result in the hiring of temporary and permanent employees at the refinery. Further, implementation of the Project will increase the assessed value of the refinery property, which would expand the County's tax base. The repurposing of the existing refinery to a renewable fuels production facility allows for the continued operation of an existing industrial facility and associated jobs and tax revenue. Furthermore, the Project includes modifications to the Avon and Amorco MOTs to facilitate their use for receipt and distribution of renewable feedstocks and fuels, consistent with supporting economic viability of the County's existing ports, wharves and shipping lanes. Thus, the proposal will not adversely affect the preservation of property values and the protection of the tax base within the County.

4. The project as conditioned shall not adversely affect the policy and goals as set by the General Plan.

Project Finding: The Refinery equipment and related structures and facilities are on lands designated by the County General Plan as Heavy Industry (HI). While the County has jurisdiction over the land occupied by the associated onshore Refinery, the County does not have jurisdiction over the Avon Terminal. Nonetheless, the County's General Plan

assigns a land use designation of Water (WA) to the Avon MOT, as the waters offshore of unincorporated lands bear relation to the County's long-term planning efforts. The pipeline between the Avon MOT and the Refinery is within a narrow strip of land designated as Open Space (OS). Pursuant to these designations, refining and other manufacturing operations are allowed and are permitted uses, respectively.

The Contra Costa General Plan contains the following relevant policies related to the project.

Countywide Policies

Policy 3-30 A variety of appropriately-sized, well-located employment areas shall be planned in order that industrial and commercial activities can contribute to the continued economic welfare of the people of the county and to the stable economic and tax bases of the county and the various cities. As the industrial project is located in an industrially developed area of the County, it is consistent with this policy.

Policy 3-42 Industrial development shall be concentrated in select locations adjacent to existing major transportation corridors and facilities. As the industrial project is located in an industrially developed area adjacent to major highways and waterway transportation in the County, it is consistent with this policy.

Policy 3-43 Industrial employment centers shall be designed to be unobtrusive and harmonious with adjacent areas and development. As the industrial project is located in an industrially developed area of the County, it is consistent with this policy.

Implementation Measure 3-b During project review, require that proposed uses on the edges of land use designations be evaluated to ensure compatibility with adjacent planned uses. As the industrial project is located in an industrially developed area of the County and is not proposing expansion, it is consistent with this policy.

Implementation Measure 3-d Review proposed land development projects for consistency with land use designations and relevant policies and standards of each element of the General Plan. The project has been evaluated with the land use designations and standards of the General Plan.

Policy 3-106 (Vine Hill/Pacheco Boulevard Area): The residential neighborhood east of I680 shall be buffered from the industrial/landfill-related uses. The project does not propose to expand the refinery use, thus the buffer shall remain.

Fire Protection Policies

Policy 7-58 Sheriff patrol beats shall be configured to assure minimum response times and efficient use of resources. No additional sheriff patrol services are expected since the refinery is an existing use.

Policy 7-62 The County shall strive to reach a maximum running time of 3 minutes and/or 1.5 miles from the first-due station, and a minimum of 3 firefighters to be maintained in all central business district (CBD), urban and suburban areas. Refinery operators maintain internal fire response teams and systems for the developed areas of the Refinery. On-site fire suppression systems include fire pumps, foam systems, firefighting engines and trucks, and fire hydrants spaced 200 feet apart in refining process areas and tank farms. As a supplemental fire protection resource, the Refinery and other Bay Area refineries and industrial facilities are members of the Petrochemical Mutual Aid Organization. CCCFPD has in prior years been called to respond to incidents at the Refinery.

Policy 7-72 Special fire protection measures shall be required in high risk uses (e.g., midrise and high-rise buildings, and those developments in which hazardous materials are used and/or stored) as conditions of approval or else be available by the district prior to approval. Refinery operators maintain internal fire response teams and systems for the developed areas of the Refinery. On-site fire suppression systems include fire pumps, foam systems, firefighting engines and trucks, and fire hydrants spaced 200 feet apart in refining process areas and tank farms. As a supplemental fire protection resource, the Refinery and other Bay Area refineries and industrial facilities are members of the Petrochemical Mutual Aid Organization. CCCFPD has in prior years been called to respond to incidents at the Refinery.

Policy 7-79 Local fire agencies shall be encouraged to identify and monitor uses involving the handling and storage of hazardous materials. As a supplemental fire protection resource, the Refinery and other Bay Area refineries and industrial facilities are members of the Petrochemical Mutual Aid Organization. CCCFPD has in prior years been called to respond to incidents at the Refinery.

Policy 7-136 The environmental review process shall be utilized to monitor the ability of area schools to serve development. No increase in population is expected from the project, thus additional area schools would not be required to serve the project.

Vegetation and Wildlife Policies

8-6 Significant trees, natural vegetation and wildlife populations generally shall be preserved. The project will not impact these resources.

8-9 Areas determined to contain significant ecological resources, particularly those containing endangered species, shall be maintained in their natural state and carefully regulated to the maximum legal extent. Acquisition of the most ecologically sensitive properties within the County by appropriate public agencies shall be encouraged. The environmental document evaluated ecological resources and identified mitigations that will mitigate impacts to them.

8-10 Any development located or proposed within significant ecological resource areas shall ensure that the resource is protected. Mitigation measures have been developed to protect ecological resources surrounding the site.

8-11 The County shall utilize performance criteria and standards which seek to regulate uses in and adjacent to significant ecological resource areas. Mitigation measures have been developed to protect ecological resources surrounding the site.

8-17 The ecological value of wetland areas, especially the salt marshes and tidelands of the bay and delta, shall be recognized. Existing wetlands in the County shall be identified and regulated. Restoration of degraded wetland areas shall be encouraged and supported wherever possible. Mitigation measures have been developed to protect wetland resources surrounding the site.

8-18 The filling and dredging of lagoons, estuaries, and bays which eliminate marshes and mud flats shall be allowed only for water-oriented projects. The project does not propose to dredge or fill waters in the County.

Scenic Resources

Policy 9-32 Major park lands shall be reserved to ensure that the present and future needs of the county's residents will be met and to preserve areas of natural beauty or historical interest for future generations. Apply the parks and recreation performance standards in the Growth Management Element. No population growth is expected from the implementation of the project, thus no additional park resources are needed.

Policy 9-35 Regional-scale public access to scenic areas on the waterfront shall be protected and developed, and water-related recreation, such as fishing, boating, and picnicking, shall be provided. The project will not impact public access to scenic areas on the waterfront since the refinery is existing.

9-D To preserve and protect areas of identified high scenic value, where practical, and in accordance with the Land Use Element Map. The project will not expand into any scenic resources.

9-F To preserve the scenic qualities of the San Francisco Bay/Delta estuary system and the Sacramento-San Joaquin River/Delta shoreline. The project will not expand into scenic resources on the waterfront. All development is located within the existing refinery facility.

9-13 Providing public facilities for outdoor recreation should remain an important land use objective in the county, as a method of promoting high scenic quality, for air quality maintenance, and to enhance outdoor recreation opportunities of all residents. The industrial project on a developed industrial site will not impact access to outdoor recreation.

9-24 The appearance of the county shall be improved by eliminating negative features such as non-conforming signs and overhead utility lines, and by encouraging aesthetically designed facilities with adequate setbacks and landscaping. Project development is proposed within the existing refinery. Obsolete equipment will be removed, consistent with the policy.

9-25 Maintenance of the scenic waterways of the county shall be ensured through public protection of the marshes and riparian vegetation along the shorelines and delta levees, as otherwise specified in this Plan. The project will not expand into scenic areas as the development will take place on the developed portion of the industrial property.

9-27 Physical and visual public access to established scenic routes shall be protected. The project is located within an existing private industrial facility and will not block physical or visual public access.

Implementation Measure 9-b Carefully study and review any development projects which would have the potential to degrade the scenic qualities of major significant ridges in the county or the bay and delta shoreline. The project is located within an existing industrial facility and will not further detriment the delta shoreline.

Noise Polices

Policy 11-1 establishes the acceptability of proposed new land uses within existing noise-impacted areas in accordance with the State of California General Plan Guidelines. The maximum exterior noise level considered to be "normally acceptable" for single-family residential uses is 60-dBA Ldn, and noise levels of up to 70-dBA Ldn are considered to be "conditionally acceptable." The maximum exterior noise level considered to be "normally acceptable," without condition, for industrial uses is 70-dBA Ldn. This policy does not apply to temporary noise levels, such as from construction. The project is not expected to create noises that would exceed thresholds within surrounding properties.

Policy 11-8 states that construction activities shall be concentrated during the hours of the day that are not noise-sensitive for adjacent land uses and should be commissioned to occur during normal work hours of the day to provide relative quiet during the more sensitive evening and early morning periods. These limitations would be included as conditions of approval and the facility operates in an industrial area located away from other land uses.

5. The project shall not create a nuisance and/or enforcement problem within the neighborhood or community.

Project Finding: The construction of the new equipment units would take place within the currently developed portions of the Project Site and are not expected to introduce nuisance sources. The EIR for the project included an assessment of the potential for the Project to cause a public nuisance by subjecting surrounding land uses (receptors) to objectionable odors. The primary source of odors from pre-Project operations are the treatment of sour gas streams, the Sulfur Recovery Unit (SRU), the Sulfuric Acid Plant (SAP), storage of crude oil and the wastewater treatment plant. The SRU, SAP, and crude oil storage would be shut down as part of this Project resulting in a reduction of odors. The wastewater treatment plant will be upgraded with a new Moving Bed Biological Reactor unit. Odors from wastewater are often created when treatment systems are under

designed or there is poor control of operational variables. The new wastewater treatment plant will have an equalization tank to provide a consistent feed to the plant creating fewer process swings and better control of process operating limits. The controls for chemical addition and outfall would be automated with updated technology that is more reliable. The combination of these upgrades will result in reduced odor from the wastewater treatment plant.

Potential new sources of odor are the storage of renewable feedstock, including tallow. In order to determine the level of potential odor and whether controls would be needed, Marathon visited three facilities where fat, oils, and grease were stored. Noticeable odors were not observed at these facilities and odor control technologies used at these sites were incorporated into the design for this Project. Odor management controls including carbon canisters, nitrogen blanketing of storage tanks and a vapor recovery system would be used to reduce odors from the storage tanks and loading and unloading activities. An operational Odor Management Plan (OMP) will be developed and implemented, intended to become an integrated part of daily operations at the Facility and other sites, so as to prevent any objectionable offsite odors and effect diligent identification and remediation of any potential objectionable odors generated by the facility and associated sites. The Odor Management and Control Plan (OMCP) will include continuous evaluation of the overall system performance, identification of trends to provide an opportunity for improvements to the plan, and updating the odor management and control strategies, as necessary.

The clean air strategy of the BAAQMD includes the preparation of plans for the attainment of ambient air quality standards, adoption and enforcement of rules and regulations concerning sources of air pollution, and issuance of permits for stationary sources of air pollution. The facility would implement control measures for emissions that would be incorporated into applicable permits issued by the BAAQMD and enforced by the district.

Transportation conditions during construction were analyzed assuming the maximum number of construction trips. The traffic analysis in Section 3.14, Transportation, of the DEIR, is based on a construction schedule that presumes a total of 1,400 workers, most working day shifts. During construction, the number of truck trips would be estimated at between 60 and 310 trips per day, depending on timing and phasing. A number of trips would be used for deliveries and distribution of petroleum coke and products manufactured at the Refinery. Project truck trips would be scheduled to avoid peak travel times along major highways, and full road closures would not be expected.

Due to the number of employees expected during Project construction, a short-term increase in vehicle trips and construction traffic would last for the duration of construction. The transportation impacts during Project construction would be less than significant. The Project would not require an increase in the number of workers required to operate the Refinery, and no long-term operational traffic impacts would be expected. Therefore, the proposal will not create a nuisance and/or enforcement problem within the neighborhood or community.

Condition of Approval #34 requires the applicant to ensure the long-term reusability of the project site by implementing a Work Plan for the demolition and cleanup of the site. The condition requires the applicant to provide financial assurances for the removal of obsolete equipment and site remediation of hazardous materials. This assurance and continued effort at cleaning up the site will ensure the project site does not become a nuisance and reduces the risk of hazardous materials impacting neighboring communities.

6. The project as conditioned shall not encourage marginal development within the neighborhood.

Project Finding: The Martinez Refinery Renewable Fuels Project will be primarily located in areas zoned H-I under the County Ordinance Code and designated Heavy Industry in the County General Plan. The open waters of the Carquinez Strait and lower Suisun Bay are offshore to the north of the Project site. Onshore, undeveloped lands on and around the Project site include marsh habitats between open water and onshore facilities and ruderal/upland habitat onshore between the marsh habitat and developed lands. Developed lands in the immediate and general vicinity of the Project site include a variety of residential, commercial, industrial, and public uses. Just east of the Refinery and Avon MOT are several hundred acres of undeveloped marshlands. This area includes the Point Edith Wildlife Preserve, a 761-acre tidal area accessible to the public for wildlife viewing and hunting. The unincorporated residential community of Clyde is east of the Refinery's on-site marshlands, on the opposite side of Port Chicago Highway from the Refinery's eastern property line. The Contra Costa Water District's Mallard Reservoir, and multiple complexes of light industrial warehouse buildings are also located east of the Project site. The refinery will not alter its use of the buffer zones. The proposal is intended to repurpose the existing refinery and would not expand development on the site. Therefore, it is not expected that the project would encourage marginal development within the neighborhood.

7. That special conditions or unique characteristics of the subject property and its location or surroundings are established.

Project Finding: The Martinez refinery has existed in its present location for more than 100 years and is one of the few areas in the County suitable for the proposed project. The project areas are zoned Heavy Industrial District (H-I) by the County Ordinance Code. This designation allows a permitted use of oil refining and other manufacturing operations. The project will not result in any changes in the existing use of the refinery in that propane and butane are both already produced at the facility. Unique characteristics of the project have been reviewed in the EIR, including geologic characteristics described in the geotechnical investigation conducted by Hultgren-Tillis Engineers, the Biological Technical Report prepared by ERM Worldwide Group Ltd, and aesthetic characteristics identified in the project plans and satellite imagery. Any special conditions or unique characteristics have been fully evaluated and established.

II. CONDITIONS OF APPROVAL FOR COUNTY FILE #CDLP20-02046:

Land Use Permit Approval

1. This Land Use Permit is APPROVED to repurpose the existing Refinery for production of fuels from renewable sources rather than from crude oil.
2. The Land Use Permit approval described above is granted based generally on the following information and documentation:
 - Land Use Permit application submitted to the Department of Conservation and Development, Community Development Division (CDD) on September 16, 2020;
 - Project plans prepared by Marathon Petroleum Corporation, received September 15, 2021;
 - Martinez Refinery Renewable Fuels Project Draft Environmental Impact Report dated October 2021;
 - Martinez Refinery Renewable Fuels Project Final Environmental Impact Report dated March 2022;
 - 2013 Tesoro Amorcó Marine Oil Terminal Lease Consideration Environmental Impact Report prepared by TRC Solutions for California State Lands Commission;
 - 2015 Tesoro Avon Marine Oil Terminal Lease Consideration Environmental Impact Report prepared by TRC Solutions for California State Lands Commission;
 - Biological Technical Report Martinez Renewable Fuels Project prepared by ERM Worldwide Group Ltd for Marathon Petroleum Corporation dated July 27, 2021;
 - Martinez Renewable Fuels Project Hazards and Hazardous Materials Technical Analysis prepared by Tesoro Refining & Marketing Company LLC, dated July 27, 2021;
 - Martinez Renewable Fuels Project Air Quality and Greenhouse Gas Technical Analysis prepared by Ashworth Leininger Group and Barr Engineering Company dated January 2022;
 - Martinez Renewable Fuels Project Noise Technical prepared by Marathon Petroleum Corporation dated July 27, 2021;
 - Martinez Renewable Fuels Project Hazards and Hazardous Materials Technical Analysis prepared by Marathon Petroleum Corporation dated July 2021;

- Geotechnical Investigation, Martinez Renewable Fuels Project, Marathon Refinery, Martinez, California prepared by Hultgren-Tillis Engineers dated March 12, 2021; and
- Martinez Renewable Fuels Project CEQA Transportation Assessment prepared by Tesoro Refining & Marketing Company LLC dated July 27, 2021.

Initial Compliance Report Prior to Submittal of Application for a Building Permit

3. **Prior to submittal of an application for or issuance of a building permit**, the applicant shall submit a report addressing compliance with the conditions of approval, for review and approval of the CDD. The report shall list each condition followed by a description of what the applicant has provided as evidence of compliance with that condition. Unless otherwise indicated, the applicant will be required to demonstrate compliance with the conditions of this report prior to issuance of construction permits. The Zoning Administrator may reject the report if it is not comprehensive with respect to applicable requirements for the requested permit. The deposit for review of the Compliance Report is \$2,000.00; the actual fee shall be time and materials.
4. At least 60 days prior to commencement of construction-related activities, issuance of grading permits, or issuance of building permits, whichever occurs first, Marathon shall provide the County with an initial deposit of \$10,000.00 to cover costs of mitigation monitoring. Marathon shall be responsible for providing adequate funding to cover all eventual costs of mitigation monitoring.
5. The applicant shall enter into an Indemnification Agreement with the County, and the applicant shall indemnify, defend (with counsel reasonably acceptable to the County), and hold harmless the County, its boards, commissions, officers, employees, and agents (collectively "County Parties") from any and all claims, costs, losses, actions, fees, liabilities, expenses, and damages (collectively, "Liabilities") arising from or related to the project, the applicant's land use permit application, the County's discretionary approvals for the project, including but not limited to the County's actions pursuant to the California Environmental Quality Act and planning and zoning laws, or the construction and operation of the project, regardless of whether those Liabilities accrue before or after project approval.

General Provisions

6. Any deviation from or expansion beyond the limits of this permit approved under this application may require the filing and approval of a request for modification of the Land Use Permit.
7. During construction, a publicly visible sign shall be posted on the property with the telephone

number and person to contact regarding construction-related complaints. This person shall respond and take corrective action within 24 hours. The CDD phone number to call in complaints shall also be visible to ensure compliance with applicable regulations.

8. The conditions contained herein are continuing obligations of the applicant, their agents, lessees, survivors, and successors, throughout the life of this permit.
9. The site shall be maintained in good condition over the term of the permit. This shall include keeping the structures graffiti-free. The facility, including all fences and walls surrounding the facility, and all other fixtures and improvements on a facility site, must be maintained and repainted as often as necessary to prevent fading, chipping, or weathering of paint.
10. At least 15 days prior to the issuance of a building permit, the developer shall demonstrate compliance with the debris recovery program, which requires at least 50 percent of the jobsite debris generated by construction projects of 5,000 square feet or greater to be recycled, or otherwise diverted from landfill disposal.

Air Quality

11. The facility shall not be used to refine or transfer palm oil.
12. The following Bay Area Air Quality Management District, Basic Construction mitigation measures and Additional Best Practices shall be implemented during project construction and shall be included on all construction plans:

The permittee shall implement the following Basic Construction Mitigation Measures during construction of the Project:

- All exposed surfaces (e.g., parking areas, staging areas, soil piles, graded areas, and unpaved access roads) shall be watered two times per day.
- All haul trucks transporting soil, sand or other loose material off-site shall be covered.
- The permittee shall not cause or allow track-out at any active exit from the site onto an adjacent paved public roadway or shoulder of a paved public roadway that exceeds cumulative 25 linear feet and creates fugitive dust visible emissions. All visible mud or dirt track-out onto adjacent public roads shall be removed using wet power vacuum street sweepers within 4 hours of when the owner/operator identifies such excessive track-out. The use of dry power sweeping is prohibited.
- All vehicle speeds on unpaved roads shall be limited to 15 miles per hour.
- All roadways, driveways, and sidewalks to be paved shall be completed as soon as possible. Building pads shall be laid as soon as possible after grading unless seeding or soil binders are used.
- Idling times shall be minimized either by shutting equipment off when not in use or reducing the maximum idling time to 5 minutes (as required by the California airborne

toxics control measure Title 13, Section 2485 of California Code of Regulations). Clear signage shall be provided for construction workers at all access points.

- All construction equipment shall be maintained and properly tuned in accordance with manufacturer's specifications. All equipment shall be checked by a certified mechanic and determined to be running in proper condition prior to operation.
- Post a publicly visible sign with the telephone number and person to contact at the Lead Agency regarding dust complaints. This person shall respond and take corrective action within 48 hours. The Air District's phone number shall also be visible to ensure compliance with applicable regulations.
- Monitor the extent of the trackout at each active exit from the site onto a paved public road at least twice during each workday, at times when vehicle traffic exiting the site is most likely to create an accumulation of trackout, or as otherwise specified by the Air District.
- Document the active exit locations monitored each workday.
- Document each occasion when the trackout exceeds cumulative 25 linear feet and all trackout control and cleanup actions initiated as a result of the above monitoring.
- Maintain these records for at least five years, in electronic, paper hard copy or log book format, and make them available to the Air District upon request.

The permittee shall implement the following Additional Best Practices measures during construction of the Project:

- All exposed surfaces shall be watered at a frequency adequate to maintain minimum soil moisture of 12 percent. Moisture content can be verified by lab samples or moisture probe.
- All excavation, grading, and/or demolition activities shall be suspended when average wind speeds exceed 20 mph.
- Wind breaks (e.g., trees, fences) shall be installed on the windward side(s) of actively disturbed areas of construction. Wind breaks should have at maximum 50 percent air porosity.
- Vegetative ground cover (e.g., fast-germinating native grass seed) shall be planted in disturbed areas as soon as possible and watered appropriately until vegetation is established.
- The simultaneous occurrence of excavation, grading, and ground-disturbing construction activities on the same area at any one time shall be limited. Activities shall be phased to reduce the amount of disturbed surfaces at any one time.
- All trucks and equipment, including tires, shall be washed off prior to leaving the site.
- Site accesses to a distance of 100 feet from the paved road shall be treated with a 6-to-12-inch compacted layer of wood chips, mulch, or gravel.
- Sandbags or other erosion control measures shall be installed to prevent silt runoff to public roadways from sites with a slope greater than one percent.
- Only Tier 4 engines shall be used when practicable for construction equipment and zero-emission equipment as available.

(Mitigation Measure Air Quality 1a)

13. The following air emissions reduction BMPs shall be implemented to the maximum extent practicable by the applicant and construction contractors. The measures shall be incorporated into all construction contracts related to the Project.

- Provide the necessary infrastructure to support the zero and near-zero emission technology vehicles and equipment that will be operating on-site. Necessary infrastructure may include the physical (e.g., needed footprint), energy, and fueling infrastructure for construction equipment, on-site vehicles, and medium-heavy and heavy-heavy duty trucks.
- Portable equipment used during construction should be powered by electricity from the grid or onsite renewable sources, instead of diesel-powered generators.
- All off-road diesel-powered equipment used during construction shall be equipped with Tier 4 or cleaner engines, except for specialized construction equipment in which Tier 4 engines are not available. In place of Tier 4 engines, off-road equipment can incorporate retrofits such that emission reductions achieved equal or exceed that of a Tier 4 engine.
- All off-road equipment with a power rating below 19 kilowatts (e.g., plate compactors, pressure washers), used during project construction shall be battery powered.
- All heavy-duty trucks entering the construction site, during the grading and building construction phases shall be model year 2014 or later, to the maximum extent practicable. All heavy-duty haul trucks shall also meet CARB's lowest optional low-NOx standard starting in the year 2022, to the maximum extent practicable.

(Minimization and Measure AQ-1b)

14. During the construction phase of the Project, the operational Odor Management and Control Plan (OMCP) shall be developed and implemented upon commissioning of the renewable fuels processes, intended to become an integrated part of daily operations at the Facility and other sites, so as to prevent any objectionable offsite odors and effect diligent identification and remediation of any potential objectionable odors generated by the facility and associated sites. The plan shall outline equipment that is in place and procedures that facility personnel shall use to address odor issues, facility wide. The OMCP shall include continuous evaluation of the overall system performance, identification of trends to provide an opportunity for improvements to the plan, and updating the odor management and control strategies, as necessary. This plan shall be retained at the facility for County or other government agency inspection upon request. The following practices shall be included in the OMCP to reduce the potential of objectionable odors from the storage of renewable feedstocks, operation of the wastewater treatment plant, and any other odor generating activity:

- Develop operating procedures to inspect and evaluate the effectiveness of odor control equipment and operation of the wastewater treatment plant.
- Inspections to be conducted on a semi-annual basis.
- If there are fewer than an average of five confirmed complaints per year during the first 3 years of operation, then the inspection frequency can be reduced to an annual basis.

- If there are more than five confirmed complaints in any single year, then the application shall develop additional mitigation strategies in consultation with the BAAQMD.
- In the event that odor complaints are reported, the permittee shall immediately take action to prevent repeat complaints. The permittee shall also develop and implement remedial odor mitigation strategies in consultation with the BAAQMD and County.

Prepare an annual evaluation report of the overall system performance, identifying any trends to provide an opportunity for improvements to the plan, and updates to the odor management and control strategies, as necessary. The report shall be provided to the County for review and approval.

(Mitigation Measure AQ-2)

Biological Resources

15. The following measures shall be included on all plans and employed by Marathon and its contractors to avoid and minimize impacts to water quality and other beneficial characteristics of wetlands at the Project Site.

- All renovation personnel shall receive environmental awareness training provided by a County approved qualified biologist. The training shall provide information about special-status species potentially occurring in the Project area, measures being implemented to avoid impacts to the species, and procedures to follow should a listed species be encountered during routine activities. Training shall be conducted to assure understanding by both Spanish and English speakers. Training materials and the qualified biologist's resume shall be submitted to County staff for approval 2 weeks prior to program initiation.
- No debris, soil, silt, sand, cement, concrete or washings thereof, or other construction-related materials or wastes, oil or petroleum products, or other organic or earthen material shall be allowed to enter into or be placed where it may be washed by rainfall or runoff into marshes or open water/ditches adjacent to the work areas.
- All personnel and their equipment shall be required to stay within the designated construction area to perform job-related tasks and shall not be allowed to enter wetlands, drainages and habitat of listed species.
- Pets shall not be allowed in or near the construction area.
- Firearms shall not be allowed in or near the construction area, except for armed Marathon security officers who may periodically patrol work sites. No intentional killing or injury of wildlife shall be permitted.
- The construction site shall be maintained in a clean condition. All trash (e.g., food scraps, cans, bottles, containers, wrappers, cigarette butts and other discarded items) shall be placed in closed containers and properly disposed off-Site.
- After construction is completed, final cleanup shall include removal of all stakes, temporary fencing, flagging and other refuse generated by construction. Vegetation shall not be removed or disturbed in the cleanup process

(Mitigation Measure BIO-1a)

16. The following measures shall be included on all plans and employed by Marathon and its contractors. Marathon and its contractors shall be responsible for structure operations in a manner that minimizes the risk of spills or the accidental discharge of fuels or hazardous materials. Marathon and its contractors shall, at a minimum, ensure that:

- All employees handling fuels and other hazardous materials are properly trained.
- All equipment is in good operating order and inspected regularly.
- Hazardous materials, including chemicals, fuels and lubricating oils, shall not be stored within 200 feet of a wetland or water body. This applies to storage of these materials and does not apply to normal operation or use of equipment in these areas.
- If refueling is needed on-Site, it will occur at least 100 feet from a surface water feature, and in a designated refueling area with secondary containment/plastic sheeting and a spill containment kit.

(Mitigation Measure BIO-1b)

17. The following measures shall be included on all plans and employed by Marathon and its contractors. In the event of an accidental spill, the Facility Oil Spill Contingency Plan shall be implemented. Site-specific provisions shall be listed on the Safe Work Permit and included within the job plan maintained on-Site.

At a minimum, Marathon and its contractors shall:

- Ensure that each construction crew (including clean-up crews) has sufficient supplies of absorbent and barrier materials on-Site to allow the rapid containment and recovery of spilled materials, and that each construction crew knows the procedure for reporting spills.
- Ensure that each construction crew has sufficient tools and material on Site to stop leaks.
- Know the contact names and telephone numbers for all Marathon Martinez Refinery contacts and local, state and federal agencies (including, if necessary, the U.S. Coast Guard and the National Response Center) that might need to be notified in the event of a spill.
- Follow the requirements of those agencies in cleaning up the spill, excavating and disposing soils or other materials contaminated by a spill, and collecting and disposing waste generated during spill cleanup

(Mitigation Measure BIO-1c)

18. The Project shall adhere to and implement the requirements of the respective existing SWPPP for the Marathon Martinez Refinery, Avon Marine Terminal and Amorco Marine Terminal during Project construction. Applicable measures in each SWPPP shall be incorporated into the construction plans by a qualified specialist and implemented prior to construction.

(Mitigation Measure BIO-1d)

19. The following work restrictions shall be included on all plans that include in-water work, and employed by Marathon and its contractors:

- To the extent feasible, in-water work shall be performed between 30 minutes after sunrise and 30 minutes before sunset.
- In-water work activity shall only occur during the work window specified by the NMFS and CDFW for avoidance of potential impacts to fish species in this region of the San Francisco Bay Estuary, August 1 to November 30. If in-water work outside this time period is required,

the work window may be adjusted through coordination with the CDFW, NMFS and USFWS.

(Mitigation Measure BIO-1e)

20. The following measures shall be employed by Marathon and its contractors. The measures shall be included as recommended practices incorporated into all construction contracts related to the Project. The number of round trips made by barges during construction shall be limited to the extent feasible. Barge and support vessels shall transit through the shallows at a no-wake-producing speed to minimize disturbance to bottom sediments. Anchoring shall be minimized to the extent possible.

(Mitigation Measure BIO-1f)

21. Marathon and its contractors shall clearly demarcate the limits of work in the field. All Project-related activity shall be confined to the designated work areas; no entry into adjacent areas shall be allowed by Project personnel. Upon Project completion, material used to mark the work boundary shall be removed.

(Mitigation Measure BIO-1g)

22. Marathon and its contractors shall implement measures to ensure that boots, clothing, vehicles and equipment are free of soils and plant parts prior to entering work areas.

(Mitigation Measure BIO-1h)

23. Focused surveys for soft-bird's beak shall be conducted by a qualified biologist each year during the appropriate blooming period (June 1 through September 30) prior to construction to confirm its absence. Locations of rare plants in proposed construction areas will be recorded using a GPS unit and flagged for avoidance. A qualified biologist shall monitor construction activities occurring in the vicinity of the flagged plants to ensure that no direct or indirect impacts occur.

(Mitigation Measure BIO-1i)

24. No more than 5 days prior to construction during the nesting bird season (February 1 through September 15), a qualified biologist shall conduct a survey for nesting birds. If work within an area lapses for more than 14 days during the nesting season, the survey shall be repeated. The survey shall encompass all work areas and those areas within a buffer of 250 feet for passerines, 500 feet for small raptors, and 1,000 feet for large raptors. Where accessible, the location of active nests will be recorded using a handheld global-positioning system unit. Should an active nest be discovered, a biological monitor will be required on-Site during construction activities that could cause disturbance of the nest. The biologist may allow work to continue if they determine that the work activity is not likely to cause nest disturbance. The biological monitor shall have the authority to stop work should a nesting bird display signs of agitation. The qualified biologist conducting the nesting surveys should prepare a report that provides details about the nesting outcome and the removal of buffers. This report should be submitted to the County's Department of Conservation and Development for review and approval prior to the time that buffers are removed.

(Mitigation Measure BIO-1j)

25. Prior to construction occurring during the rail nesting season (February 1 through August 31) within 700 feet of suitable rail habitat, surveys shall be conducted for California Ridgway's rail and California black rail in accordance with the USFWS Survey protocol for California Ridgway's rail. Surveys should be initiated between January 15 and February 1. For each survey station, four surveys are to be conducted. Surveys should be spaced at least two weeks apart and should cover the time period from the date of the first survey through the end of March or mid-April. If California Ridgway's or California black rails are detected during the survey, no work within 700 feet of the rail calling centers (identified via compass bearing and distance estimate during surveys) shall occur between February 1 and August 31, unless otherwise approved by USFWS and CDFW.

(Mitigation Measure BIO-1k)

26. The following mitigation measure shall be implemented during all on-going business operations and shall be included as part of contractual agreement language to ensure that contract vessels are informed of all on-going operational responsibilities. Marathon shall update pre-arrival document materials and instructions sent to tank vessels agents/operators scheduled to arrive at the Marine Terminal with the following information and requests:

- Available outreach materials regarding the Blue Whales and Blue Skies incentive program.
- Whale strike outreach materials and collision reporting from NOAA.
- Request extra vigilance by ship crews upon entering the traffic separation scheme shipping lanes approaching San Francisco Bay and departing San Francisco Bay to aid in detection and avoidance of ship strike collisions with whales.
- Inform all vessel traffic of vessels 300 gross registered tons or larger to reduce speeds to 10-knots when transiting within the designated Vessel Speed Reduction zones.
- Request compliance to the maximum extent feasible (based on vessel safety) with the 10-knot speed reduction zone. Understand and agree that decisions concerning safe navigation and maneuvering of participating vessels remain entirely with ship masters and crew.
- Encourage participation in the Blue Whales and Blue Skies incentive program.

(Mitigation Measure BIO-7a)

27. Marathon Refining and Marketing Company, LLC (Marathon) shall conduct and support the following activities to further the understanding of vessel strike vulnerability of sturgeon in San Francisco, San Pablo, and Suisun Bays and the Carquinez Strait. The support shall be based on criteria that establish Marathon's commensurate share taking into account the increase in vessel calls to the Avon and Amorco Marine Oil Terminals. Support shall include coordination with CDFW and Research Sturgeon to ensure appropriate messaging on information flyers suitable for display at bait and tackle shops, boat rentals, fuel docks, fishing piers, ferry stations, dockside businesses, etc. to briefly introduce interesting facts about the sturgeon and research being conducted to learn more about its requirements and how the public's observations can inform strategies being developed to improve fisheries habitat within the estuary.

(Mitigation Measure BIO-7b)

28. Marathon Refining and Marketing Company, LLC (Marathon) shall continue to participate and assist in funding ongoing and future actions related to nonindigenous aquatic species (NAS) as described in Mitigation Measure BIO-9B of the Tesoro Avon Marine Oil Terminal Lease Consideration Project Final Environmental Impact Report (FEIR) and Mitigation Measure BIO-7b of the Amorcó Marine Terminal FEIR. The level of funding shall be revisited through a cooperative effort between California State Lands Commission staff, the DWR, CDFW, and Marathon, and shall be based on criteria that establish Marathon's commensurate share NAS actions costs taking into account the increase in vessel calls to the Avon and Amorcó Marine Oil Terminals.

(Mitigation Measure BIO-9a)

Cultural and Archeological Resources

29. The following Mitigation Measures shall be implemented during project related ground disturbance, and shall be included on all construction plans:

- a. All construction personnel, including operators of equipment involved in grading, or trenching activities will be advised of the need to immediately stop work if they observe any indications of the presence of an unanticipated cultural resource discovery (e.g. wood, stone, foundations, and other structural remains; debris-filled wells or privies; deposits of wood, glass, ceramics). If deposits of prehistoric or historical archaeological materials are encountered during ground disturbance activities, all work within 50 feet of the discovery shall be redirected and a qualified archaeologist, certified by the Society for California Archaeology (SCA) and/or the Society of Professional Archaeology (SOPA), shall be contacted to evaluate the finds and, if necessary, develop appropriate treatment measures in consultation with the County and other appropriate agencies. If the cultural resource is also a tribal cultural resource (TCR) the representative (or consulting) tribe(s) will also require notification and opportunity to consult on the findings.

If the deposits are not eligible, avoidance is not necessary. If eligible, deposits will need to be avoided by impacts or such impacts must be mitigated. Upon completion of the archaeological assessment, a report should be prepared documenting the methods, results, and recommendations. The report should be submitted to the Northwest Information Center and appropriate Contra Costa County agencies.

- b. Should human remains be uncovered during grading, trenching, or other on-site excavation(s), earthwork within 30 yards of these materials shall be stopped until the County coroner has had an opportunity to evaluate the significance of the human remains and determine the proper treatment and disposition of the remains. Pursuant to California Health and Safety Code Section 7050.5, if the coroner determines the remains may those of a Native American, the coroner is responsible for contacting the Native American

Heritage Commission (NAHC) by telephone within 24 hours. Pursuant to California Public Resources Code Section 5097.98, the NAHC will then determine a Most Likely Descendant (MLD) tribe and contact them. The MLD tribe has 48 hours from the time they are given access to the site to make recommendations to the land owner for treatment and disposition of the ancestor's remains. The land owner shall follow the requirements of Public Resources Code Section 5097.98 for the remains.

- c. In the event the Project design changes, and ground disturbance is anticipated beyond the Area of Potential Effect, as it is currently defined by the Cultural Resources Inventory Reports, further surveys shall be conducted in those new areas to assess the presence of cultural resources. Any newly discovered or previously recorded sites within the additional survey areas shall be recorded (or updated) on appropriate Department of Parks and Recreation (DPR) 523-series forms. If avoidance of these cultural resources is not feasible then an evaluation and/or data recovery program shall be drafted and implemented.

(Mitigation Measure CR-1)

Geology and Geotechnical Report

30. Prior to issuance of a grading or building permit for the equipment changes associated with the Project, the Applicant shall submit a final geotechnical evaluation report prepared by a licensed engineer, for approval by the Department of Conservation and Development, Peer Review Geologist, along with payment for the peer review fee. The report shall specify final recommendations for seismically and structurally sound installation of new structures, equipment and foundations in accordance with the California Building Code standards in effect at the time the permit application is submitted. Construction drawings submitted with the building permit application shall include appropriate detail to demonstrate compliance of the Project with the standards of the applicable California Building Code.

(Mitigation Measure GEO-2)

Hazards and Hazardous Materials

31. The permittee shall comply with mitigation measures as outlined in the Operational Safety/Risk of Accident sections of the EIRs for both Amorco and Avon MOTs and as incorporated by reference into the leases as regulatory (lease) conditions. These measures include CLSC established requirements for preventative maintenance, including periodic inspection of all components related to transfer operations pipelines. The permittee shall comply with those requirements, as well as with the CSLC's operational requirements, including Article 5.5 Marine Terminal Oil Pipelines 17 (California Code of Regulations, Title 2, Sections 2560-2571). The requirements, which are discussed in detail in the Avon and Amorco EIRs, are as follows:

- Installation of Remote Release Systems
- Maintaining of Tension Monitoring Systems
- Maintaining of Allision Avoidance Systems
- Development of a Fire Protection Assessment
- Participation in USCG Ports and Waterways Safety Assessment Workshops
- Response to any Vessel Spills near the Project

Prior to Project operations, the permittee shall complete routine inspection, testing and maintenance of all equipment and systems conducted in accordance with manufacturers' recommendations and industry guidance, as well as consideration of for general industry guidance on effective maintenance of critical equipment at the MOT.

(Mitigation Measure HAZ-1)

32. The following GHG reduction BMPs shall be implemented to the maximum extent practicable during all on-going business operations. The measures shall be incorporated into all construction contracts and operations related to the Project.

- All heavy-duty trucks entering or operated on the project site shall be model year 2014 or later, to the maximum extent practicable, and transition to zero-emission vehicles shall be expedited, with the fleet fully zero emission beginning in 2030 or when such vehicles are commercially available, whichever date is later.
- All ocean-going vessels calling at the Refinery shall use engines meeting the International Maritime Organization's Tier 4 engine standard or higher to the maximum extent practicable.
- All ocean-going vessels calling at the Refinery shall comply with CARB's At-Berth Regulation, including meeting the onboard auxiliary diesel engine operational time limits and onboard auxiliary-diesel-engine power generation reductions to the maximum extent practicable. All ocean-going vessels shall comply with the voluntary vessel speed reduction zones established by National Oceanic and Atmospheric Administration.
- All engines in articulated tug-barge combinations and tugboats assisting oceangoing vessels shall meet U.S. Environmental Protection Agency (EPA) Tier 4 engines standards, and be equipped with diesel particulate filters to the maximum extent practicable.
- All locomotives shall meet U.S. EPA Tier 4 engine standards to the maximum extent practicable.
- Utilize a "clean fleet" (e.g., zero-emission light-and medium-duty delivery trucks, vans, automobiles, railcar engines, and vessels) as part of business operations to the maximum extent practicable.

- Monitor and be in compliance with all current air quality regulations for on-road trucks including CARB's Heavy-Duty (Tractor-trailer) Greenhouse Gas Regulation, Periodic Smoke Inspection Program, and the Statewide Truck and Bus Regulation.

Demolition and Site Clean-Up/Reuse Program

33.1 The Permittee shall demolish and remove all portions of the facility that will not be used for any phase of the Project or any intended future use of the facility. Upon the permanent closure of the facility, the Permittee shall demolish and remove all remaining portions of the facility. During the operation of the Project, the Permittee shall investigate soil conditions at the site and, where necessary, clean-up and restore the site to a condition suitable for commercial and industrial land uses. To assure the performance of these requirements, the Permittee shall do all of the following:

- (a) Within 30 days following final approval of the land use permit, the Permittee shall provide a Corporate Guarantee to Contra Costa County to guarantee the performance and implementation of all tasks specified in the Demolition and Site Clean-Up/Reuse Work Plan (Work Plan). The initial value of the Corporate Guarantee shall be no less than \$155,000,000, based on estimated costs as described in Table A. The Corporate Guarantee shall be adjusted annually for inflation by March 15 of each year following project approval. The inflation adjustment shall be calculated using the inflation factor in Title 27, California Code of Regulations, Section 22236, for the prior calendar year. Following any adjustment to the value of the Corporate Guarantee pursuant to Condition 32.3, then the Corporate Guarantee shall be adjusted annually for inflation in accordance with this subsection, except that no inflation adjustment shall be required for a year in which the value of a Corporate Guarantee was adjusted between January 1 and March 15 based on an updated cost estimate.
- (b) The following portions of the facility shall be demolished and removed as follows:
 - (1) The SRU Chem Plant Stack shall be demolished and removed no later than December 31, 2024.
 - (2) The 2 Reformer and 3 Reformer process units shall be demolished and removed no later than five years after startup of the Pretreatment Unit.
- (c) Within 30 months following final approval of the land use permit, the Permittee shall submit a Work Plan as specified in Condition 32.2 for review and reasonable approval by the Contra Costa County Conservation and Development Director or designee.

33.2 The Work Plan must include all of the following information:

- (a) The Work Plan must specify which portions of the facility will be demolished and removed from the site over time. The Work Plan must include a description of all above-ground

and below-ground structures, equipment, and appurtenances that will be demolished and removed from the site.

- (b) The Work Plan must include the following schedules. Each schedule must propose a phased completion plan demonstrating steady progress by including all interim tasks necessary to demolish and remove each portion of the facility, and the estimated time necessary to complete each task.
 - (1) A schedule for removal of all portions of the facility that will not be used for any phase of the Project or any intended future use of the facility. All demolition and removal activities included in this schedule must be completed no later than 20 years after approval of the Work Plan.
 - (2) A schedule for completing the demolition and removal of all remaining portions of the facility upon the permanent closure of the facility.
- (c) The Work Plan must include a schedule for completing the investigation of soil conditions at the site. The soil investigation must be completed no later than 15 years after final approval of the land use permit.
- (d) The Work Plan must include a schedule for restoring the site to a condition suitable for commercial and industrial land uses as determined by the applicable regulatory agencies having oversight of restoration activities.
- (e) The Work Plan must include cost estimates for demolition and removal, and for site investigations and associated potential clean-up.
- (f) At least once every five years, the Permittee shall submit an amended Work Plan for review and reasonable approval by the Contra Costa County Conservation and Development Director or designee. The amended Work Plan shall include the information specified in subsections (a) through (e) of Condition 32.2, and include the following additional information:
 - (1) A description of all demolition and clean-up tasks and activities completed following the submission of the prior Work Plan, and the status of in-progress Work Plan tasks and activities.
 - (2) An accounting of actual expenditures on all demolition and clean-up tasks and activities completed under the initial Work Plan and all amended Work Plans.
 - (3) A schedule of all demolition and clean-up tasks and activities that are expected to be implemented in the next five-year period.
- (g) The Permittee shall comply with all applicable federal, state, and local laws and regulations when performing all demolition and clean-up tasks and activities at the site.

33.3 The Corporate Guarantee required by Condition 32.1 must comply with the following requirements.

- (a) The Guarantor must be:
 - (1) A parent corporation of the Permittee; or
 - (2) An entity whose parent corporation is also the parent corporation of Permittee; or
 - (3) An entity that is engaged in a substantial contractual business relationship with the Permittee and issues the Corporate Guarantee as an act incident to that business relationship.
- (b) The Guarantor must meet the following financial means test based on the Guarantor's audited year-end financial statements:
 - (1) A current rating for its most recent bond issuance of AAA, AA, A, or BBB, issued by Standard & Poor's, or Aaa, Aa, A, or Baa, issued by Moody's; and
 - (2) Tangible net worth at least six times the sum of the current cost estimate covered by the Corporate Guarantee; and
 - (3) Tangible net worth of at least \$15 million; and
 - (4) Assets located in the United States amounting to at least 90 percent of its total assets or at least six times the sum of the current cost estimate covered by the Corporate Guarantee.
- (c) The Corporate Guarantee shall be substantially in the form attached as Appendix A, subject to reasonable approval by Contra Costa County.
- (d) If the Guarantor fails to meet the requirements of the financial means test under Condition 32.3 or wishes to terminate the Corporate Guarantee, the Guarantor shall send notice of the failure or intent to terminate by certified mail to Permittee and Contra Costa County within 90 days after the end of the financial reporting year in which the failure or intent to terminate occurs. The Corporate Guarantee shall terminate no less than 60 days after the date that Permittee and Contra Costa County have received notice of failure or intent to terminate, as evidenced by the return receipts. Subject to reasonable approval by Contra Costa County, the Guarantor shall establish alternate coverage on behalf of Permittee, or Permittee shall establish alternate coverage, within 60 days after the County's receipt of notice of failure or intent to terminate.

Table A – Initial Corporate Guarantee Basis

Activity	Estimated Costs (\$Millions)
Net Demolition Costs for Idled Assets	\$ 70
Net Demolition Costs for Operating Assets	\$ 35
Estimated Site Investigation & Non-Determined Clean-up or Other Costs Held in Reserve	\$ 50
Total	\$ 155

- (e) Within 30 days after the County’s approval of the Work Plan and each amended Work Plan, the value of the Corporate Guarantee shall be updated to reflect all updated cost estimates included in the Work Plan or amended Work Plan, as applicable.

- (f) Subject to reasonable approval by Contra Costa County, the value of the Corporate Guarantee may be adjusted to reflect:
 - (1) Completion of demolition activities that have occurred; and

 - (2) Completion of site investigation or other activities that have occurred as set forth in the Work Plan.

 - (3) Changes in estimates or defined work scope as it relates to any changes to demolition, clean-up, or site investigation activities.

- (g) The portion of the Corporate Guarantee for Estimated Site Investigation & Non-Determined Clean-up or Other Costs (in Table A) shall maintain a minimum of \$25 million held in reserve until site investigation activities are complete, which amount shall not be subject to adjustment for inflation.

33.4 For purposes of this condition, the following terms have the following meanings:

- (a) “Facility” means all structures, processing equipment, and other equipment and appurtenances used for manufacturing, storage, or distribution at the Martínez refinery located at 150 Solano Way, Pacheco CA 94553.

- (b) “Project” means the Martinez Refinery Renewable Fuels Project, County File #CDLP20-02046.

- (c) "Site" means the real property where the Martinez refinery is located, at 150 Solano Way, Pacheco CA 94553.

Work Restrictions

34. The applicant shall make a good faith effort to minimize project-related disruptions to adjacent properties and to other uses on the site. This shall be communicated to project-related contractors.
35. The site shall be maintained in an orderly fashion. Following the cessation of construction activity, all construction debris shall be removed from the site.
36. Non-emergency maintenance, construction, and other activities on the site related to this use shall be prohibited on State and Federal holidays on the calendar dates that these holidays are observed by the State or Federal government as listed below:

New Year's Day (State and Federal)
Birthday of Martin Luther King, Jr. (State and Federal)
Washington's Birthday (Federal)
Lincoln's Birthday (State)
President's Day (State)
Cesar Chavez Day (State)
Memorial Day (State and Federal)
Juneteenth National Independence Holiday (Federal)
Independence Day (State and Federal)
Labor Day (State and Federal)
Columbus Day (Federal)
Veterans Day (State and Federal)
Thanksgiving Day (State and Federal)
Day after Thanksgiving (State)
Christmas Day (State and Federal)

For specific details on the actual days and dates that these holidays occur, please visit the following websites:

Federal Holidays: www.federalreserve.gov/aboutthefed/k8.htm

California Holidays: www.sos.ca.gov/holidays.htm

Application Processing Fees

37. The Land Use Permit application was subject to an initial deposit of \$15,000 that was paid with the application submittal, plus time and material costs if the application review expenses exceed the initial deposit. Any additional fee due must be paid prior to issuance of a building

permit, or 60 days of the effective date of this permit, whichever occurs first. The fees include costs through permit issuance and final file preparation. Pursuant to Contra Costa County Board of Supervisors Resolution Number 2013/340, where a fee payment is over 60 days past due, the application shall be charged interest at a rate of ten percent (10%) from the date of approval. The applicant may obtain current costs by contacting the project planner. A bill will be mailed to the applicant shortly after permit issuance in the event that additional fees are due.

Community Outreach and Benefits

38. The applicant has agreed to enter into a Community Benefits Agreement with the County to implement the permittee's planned Community Benefit Initiative for the Project. The agreement will detail the benefit(s) that the Project will provide the community and an implementation schedule for the agreed-upon community benefits. At least 30-days prior to scheduling of a final building permit inspection for this project (e.g., occupation of the subject site), the permittee shall provide CDD staff with evidence that the permittee and County have entered into a Community Benefits Agreement.
39. In order to help support the local economy, Marathon shall encourage its employees and subcontractors to patronize local businesses and restaurants during breaks and mealtimes, and that they use personal vehicles during these break times and not construction equipment, such as dump trucks or other large construction vehicles, so as to minimize unnecessary road wear by heavy trucks on local roadways.

PUBLIC WORKS CONDITIONS OF APPROVAL FOR LAND USE PERMIT CDLP20-02046

Applicant shall comply with the requirements of Title 8, Title 9 and Title 10 of the Ordinance Code. Any exceptions must be stipulated in these Conditions of Approval. Conditions of Approval are based on the site plan submitted to the Department of Conservation and Development on October 2, 2020.

COMPLY WITH THE FOLLOWING CONDITIONS OF APPROVAL PRIOR TO INITIATION OF THE USE PROPOSED UNDER THIS PERMIT.

General Requirements:

40. Improvement plans prepared by a registered civil engineer shall be submitted, if necessary, to the Public Works Department, Engineering Services Division, along with review and inspection fees, and security for all improvements required by the Ordinance Code for the conditions of approval of this permit. Any necessary traffic signing and striping shall be included in the improvement plans for review by the Transportation Engineering Division of the Public Works Department.

Roadway Improvements (Frontage/Off-Site):

41. Any cracked and displaced curb, gutter, and sidewalk shall be removed and replaced along the project frontage of Waterfront Road, Imhoff Drive, Arnold Industrial Way, and Solano Avenue. Concrete shall be saw cut prior to removal. Existing lines and grade shall be maintained. New curb and gutter shall be doveled into existing improvements.
42. Applicant shall submit a Traffic Management Plan for review and approval by the Contra Costa County Public Works Department, City of Martinez, and City of Concord prior to initiation of construction operations associated with this project. At a minimum the following shall be included:
 - The Traffic Management Plan shall be prepared in accordance with the most current California Manual on Uniform Traffic Control Devices, and will be subject to periodic review by the Contra Costa County Public Works Department, City of Martinez and City of Concord throughout the life of all construction and demolition phases.
 - Truck drivers shall be notified of and required to use the most direct route between the site and the freeway;
 - All site ingress and egress shall occur only at the main driveways to the Project site;
 - Construction vehicles shall be monitored and controlled by flaggers;
 - If during periodic review the Contra Costa County Public Works Department determines the Traffic Management Plan requires modification, applicant shall revise the Traffic Management Plan to meet the specifications of the Contra Costa County Public Works Department to address any identified issues. This may include such actions as traffic signal modifications, staggered work hours, or other measures deemed appropriate by the Public Works Department.
 - If required, applicant shall obtain the appropriate permits from Caltrans City of Concord, City of Martinez, and the Contra Costa County Public Works Department for the movement of oversized or excessive load vehicles on state-administered highways, City, or County maintained roads respectively.

Access to Adjoining Property:

Encroachment Permit

43. Applicant shall obtain an encroachment permit from the Public Works Department, if necessary, for Traffic Control and signal optimization within the right-of-way of Imhoff Drive and Waterfront Road.
44. Applicant shall obtain an encroachment permit from Caltrans for Traffic Control and signal optimization within the State right-of-way.

45. Applicant shall obtain an encroachment permit from the City of Concord for Traffic Control and signal optimization within City right-of-way.

Construction:

46. Prior to the start of construction-related activities, the applicant shall prepare a Traffic Control Plan (TCP), including a haul route, for the review and approval of the Public Works Department.

47. Applicant shall survey the pavement condition on Imhoff Drive and Waterfront Road prior to the commencement of any work on site, with Public Works Department approval. The survey shall include a photo/video of the roadways. Applicant shall complete any remedial work prior to initiation of use; OR, provide a bonded agreement assuring completion of the remedial work.

48. Applicant shall provide a pavement analysis for those roads along the proposed haul route or any alternate route(s) that are proposed to be utilized by the hauling operation. This study shall analyze the existing pavement conditions, and determine what impact the hauling operation will have over the life of the project. The study shall provide recommendations to mitigate identified impacts.

ADVISORY NOTES

THE FOLLOWING INFORMATION DOES NOT CONSTITUTE CONDITIONS OF APPROVAL. IT IS PROVIDED TO ALERT THE APPLICANT TO LEGAL REQUIREMENTS OF THE COUNTY AND OTHER PUBLIC AGENCIES TO WHICH THIS PROJECT MAY BE SUBJECT.

A. NOTICE OF NINETY (90) DAY OPPORTUNITY TO PROTEST FEES, DEDICATIONS, RESERVATIONS, OR OTHER EXACTIONS PERTAINING TO THE APPROVAL OF THIS PERMIT.

This notice is intended to advise the applicant pursuant to Government Code Section 66000, et seq., the applicant has the opportunity to protest fees, dedications, reservations, and/or exactions required as part of this project approval. The opportunity to protest is limited to a ninety (90) day period after the project is approved.

The ninety (90) day period in which you may protest the amount of any fee or the imposition of any dedication, reservation, or other exaction required by this approved permit, begins on the date this permit was approved. To be valid, a protest must be in writing pursuant to Government Code Section 66020 and delivered to the Community Development Division within ninety (90) days of the approval date of this permit.

- B. Prior to applying for a building permit, the applicant may wish to contact the following agencies to determine if additional requirements and/or additional permits are required as part of the proposed project:
- County Building Inspection Division
 - County Health Services Dept., Environmental Health Division
 - Contra Costa Consolidated Fire Protection District
 - California Department of Fish and Wildlife
 - United States Department of Fish and Wildlife
 - Bay Area Air Quality Management District
- C. The applicant will need to comply with the requirements of the Bridge/Thoroughfare Fee Ordinance for the Central County Area of Benefit as adopted by the Board of Supervisors prior to issuance of a building permit.
- D. This project may be subject to the requirements of the Department of Fish and Wildlife. It is the applicant's responsibility to notify the Department of Fish and Wildlife of any proposed construction within this development that may affect any fish and wildlife resources, per the Fish and Game Code.

APPENDIX A

GUARANTEE

Shall be on guarantor's letterhead stationery. It shall also contain original signature of Guarantor

[TITLE]
[AGENCY]
[ADDRESS]

Guarantee made this _____ Date _____ by _____ Name of Guaranteeing Entity _____, a business entity organized under the laws of _____ Insert Name of State _____, herein referred to as Guarantor, to the [AGENCY (Contra Costa County)] obligee on behalf of _____ Applicant _____ of _____ Business Address _____.

Recitals

1. Guarantor meets or exceeds the financial means test criteria for guarantors, which means that Guarantor shall have:
 - a. A current rating for its most recent bond issuance of AAA, AA, A, or BBB issued by Standard and Poor's or Aaa, Aa, A or Baa as issued by Moody's; and
 - b. Tangible net worth each at least six times the amount of the current cost estimate to be demonstrated by the test; and
 - c. Tangible net worth of at least \$15 million; and
 - d. Assets located in the United States amounting to at least 90 percent of its total assets or at least six times the amount of the current cost estimate to be demonstrated by the test.
2. Guarantor is a parent corporation of the _____ Applicant _____; is a firm whose parent corporation, _____ Corporate Parent _____, is also the parent corporation of Operator _____; or engages in a substantial business relationship with _____ Applicant _____ and is issuing this guarantee as an act incident to that business relationship.
3. _____ Applicant _____ has developed a Demolition and Site Clean-up Work Plan as required by the [SPECIFY LAND USE PERMIT].
4. [Insert appropriate phrase: "On behalf of our subsidiary" (if guarantor is a parent corporation of the Applicant); "On behalf of our affiliate" (if guarantor is a firm whose parent corporation is also the parent corporation of the Applicant); or "Incident to our business relationship with" (if guarantor is providing guarantee as an incident to a substantial business relationship with the Applicant)] _____ Applicant _____. Guarantor guarantees to Contra Costa County that in the event that _____ Applicant _____ fails to perform activities identified in the Demolition and Site Clean-up Work Plan whenever required to do so, Guarantor shall do so.
5. Guarantor agrees that if at any time during or at the end of any fiscal year before termination of this guarantee the Guarantor fails to meet the financial means test criteria, Guarantor shall send within 90 days, by either registered or certified mail, notice to Contra Costa County, and the _____ Applicant _____, of such failure and that he or she intends to provide alternate financial assurance, including without limitation surety bond, letter of credit, insurance or trust fund, as applicable, in the name of _____ Applicant _____ if the _____ Applicant _____ fails to obtain such assurance. Within 120 days after the end of such fiscal year or other occurrence, Guarantor shall establish such alternate financial assurance in the name of _____ Applicant _____ in the amount of the applicable current cost estimate, unless _____ Applicant _____ has done so.
6. Guarantor agrees to notify Contra Costa County, and the _____ Applicant _____, by either registered or certified mail of a voluntary or involuntary proceeding under the Bankruptcy Code, 11 U.S.C. Sections 101-1330, naming Guarantor as debtor within ten days after commencement of the proceeding.
7. Guarantor agrees to remain bound under this guarantee notwithstanding amendment or modification of the Demolition and Site Clean-up Work Plan.
8. Guarantor agrees to remain bound under this guarantee for so long as _____ Applicant _____ must comply with the applicable financial assurance requirements in the Land Use Permit, except that Guarantor may cancel this guarantee by sending notice by registered or certified mail to Contra Costa County, and the _____ Applicant _____. Such cancellation shall become effective no earlier than 120 days after receipt of such notice by Contra Costa County, and the _____ Applicant _____, as evidenced by the return receipts.
11. Guarantor agrees that if _____ Applicant _____ fails to provide alternate financial assurance, including without limitation surety bond, letter of credit, insurance or trust fund, as applicable, within 90 days after a notice of cancellation by Guarantor is received from Guarantor by Contra Costa County, and the _____ Applicant _____, Guarantor shall provide such alternate financial assurance in the name of _____ Applicant _____ in the amount of the applicable current cost estimate.

12. Guarantor expressly waives notice of acceptance of this guarantee by Contra Costa County, or the Applicant _____. Guarantor also expressly waives notice of amendments or modifications of the Demolition and Site Clean-up Work Plan.

The parties below certify that this document is being executed in accordance with the requirements of the Contra Costa County land use permit.

Effective date: _____

Name of Guarantor

Authorized Signature of Guarantor

➤

Typed or Printed Name of Person Signing

Title and Phone Number of Person Signing

➤

Signature of Witness or Notary and Seal

Privacy Statement

The Information Practices Act (California Civil Code Section 1798.17) and the Federal Privacy Act (5 U.S.C. 552a(e)(3)) require that this notice be provided when collecting personal information from individuals.

AGENCY REQUESTING INFORMATION: California Department of Resources Recycling and Recovery (CalRecycle).

UNIT RESPONSIBLE FOR MAINTENANCE OF FORM: Financial Assurances Section, California Department of Resources Recycling and Recovery (CalRecycle), 1001 I Street, P.O. Box 4025, Sacramento, California 95812-4025. Contact the Manager, Financial Assurances Section, at (916) 341-6000.

AUTHORITY: Public Resources Code section 43600 et seq.

PURPOSE: The information provided will be used to verify adequate financial assurance of solid waste disposal facilities listed.

REQUIREMENT: Completion of this form is mandatory. The consequence of not completing this form is denial or revocation of a permit to operate a solid waste disposal facility.

OTHER INFORMATION: After review of this document, you may be requested to provide additional information regarding the acceptability of this mechanism.

ACCESS: Information provided in this form may be provided to the U.S. Environmental Protection Agency, State Attorney General, Air Resources Board, California Department of Toxic Substances Control, Energy Resources Conservation and Development Commission, Water Resources Control Board, and California Regional Water Quality Control Boards. For more information or access to your records, contact the California Department of Resources Recycling and Recovery (CalRecycle) , 1001 I Street, P.O. Box 4025, Sacramento, California 95812-4025, (916) 341-6000.