

**AEROJET SPECIAL PLANNING AREA IMPLEMENTATION AGREEMENT
REGARDING SURFACE MINING**

This Agreement ("Agreement") is entered into this 29th day of August, 2006, by and among the County of Sacramento, a political subdivision of the State of California ("County"), and Aerojet General Corporation ("Aerojet") with reference to the following facts:

RECITALS

A. Aerojet owns property in the County that is regulated under County Ordinance No. SZC 95-0014 ("Aerojet SPA"). This Ordinance establishes a Special Planning Area over approximately 12,000 acres of land owned by Aerojet. A copy of the Aerojet SPA is attached as Exhibit A to this Agreement. The intent of the Aerojet SPA is to regulate land use and development of all the real property covered under the Aerojet SPA.

B. The purpose of the Aerojet SPA, as adopted, is to "develop a regulatory mechanism for land uses, existing and proposed . . . that allows for the use and development of the property" in a manner that:

1. recognizing Aerojet's right to continue, expand, reactivate, and relocate existing uses on the property within this Special Planning Area, maintains a safe environment in which the subject property can be used given the special facilities and uses historically conducted thereon; and
2. permits, as specified in this Ordinance [the SPA], residential, retail, research and development, office, recreational, community, commercial, surface mining, manufacturing, high technology industrial, intensive and extensive industrial development. . .; to occur in ways that are compatible with existing uses and surrounding land uses; and
3. permits the consolidation and restructuring of Aerojet facilities, including, but not limited to, the expansion, relocation, and reactivation of existing uses, (as specified in Section 508-304(a) hereof), new uses (as specified in Section 508-304(b) and (c) hereof), and the planning of future development . . .

(SPA § 508-301)

C. In furtherance of this purpose, the Aerojet SPA divides the subject property into three zones: the Industrial Zone (which covers the majority of

property north of White Rock Road), the Inactive Rancho Cordova Test Site Zone ("IRCTS") (which covers the area south of White Rock Road) and the Industrial Border Zone (located along the eastern edge of the SPA).

D. The Aerojet SPA allows certain types of development activities within the SPA "as a matter of right." "Existing uses," as specifically defined, are so allowed. (SPA § 508-304(a)) Existing uses are allowed as of right in all zones within the Aerojet SPA, including the Industrial Zone (SPA § 508-304(b))

E. The Aerojet SPA also provides specific "Performance and Development" standards that are designed to provide a regulatory framework to provide the County with certain regulatory control over uses, including those allowed as a matter of right. Among others, the Aerojet SPA provides specific performance standards for natural resource protection. (SPA § 508-310)

F. The Aerojet SPA property has been the subject of surface mining operations and contains aggregate resources the removal of which will facilitate the property's future use. The County recognizes the importance of the aggregate present on the Aerojet SPA property for meeting the County's present and future construction material needs and sustaining economic development within the County.

G. On August 29, 2006, the County Board of Supervisors made the determination that surface mining qualifies as a permitted "existing use" under the Aerojet SPA. Thus, the County may condition and regulate surface mining on the Aerojet SPA property, but, as a permitted use may not deny the right to engage in such activity. The County and Aerojet intend, however, that in implementing the Aerojet SPA an agreement be reached that will ensure that surface mining, even though a use allowed "as of right," will achieve the specified Performance and Development Standards and otherwise applicable County standards for reclamation, permitting, mitigation and environmental review.

Now therefore, the County and Aerojet do hereby agree as follows:

AGREEMENT

1. The County and Aerojet agree that the procedure for implementing the terms of the Aerojet SPA with regard to applications for surface mining activities on the Aerojet SPA property shall be as follows:

A. All surface mining activities shall implement specific performance standards and comply with applicable County, state and federal requirements. In connection with an application for any particular surface mining activity under the Aerojet SPA, these standards shall include:

- Approval of a SPA Implementation Permit. The parties agree that, in order to implement this SPA, Aerojet may apply for, and the County may issue, one or more SPA Implementation Permit(s) that will incorporate the submitted Mining Plan, serve as the vehicle for imposing conditions, be subject to CEQA review, and be reviewed by the Project Planning Commission and the Board of Supervisors. The Board of Supervisors may impose conditions on the SPA Implementation Permit in order to regulate the surface mining activity and mitigate its impacts.
- Approval of a Reclamation Plan by the Board of Supervisors following a recommendation from the Project Planning Commission.
- Environmental review under the California Environmental Quality Act.
- Posting of adequate Financial Assurances as required by Sacramento County Code, Title 20, Chapter 20.04, as it may be amended from time to time.
- Submittal of a Mining Plan showing mitigations, which meet the requirements set forth in Title 11, Chapter 35, Article 4, of the Sacramento County Zoning Code, as it may be amended from time to time, including the following:
 - i. Location and limits of planned excavation;
 - ii. Progression of stripping and excavating through the use of cross sections or elevations;
 - iii. Indicate the time lag between mining and reclamation, and between original equipment siting and relocations;
 - iv. Show the proposed plan for concurrent excavation and reclamation, if applicable;
 - v. An estimate of the total quantity of materials (extracted materials, overburden, or other) available at the site;
 - vi. Anticipated dimensions of the excavation area, i.e., areal extent and average depth of overburden and resource materials;

- vii. Description of equipment and excavation methods;
- viii. Fate of overburden following removal, i.e., disposal, sale, storage for later use, other;
- ix. Description of drainage course alterations and diversions;
- x. Show the estimated surface areas disturbed annually and the days of annual production;
- xi. Show the anticipated pit side slopes and end slopes, when appropriate;
- xii. Show the anticipated phased progression of mining;
- xiii. Show land uses for which the site, after reclamation, is adaptable;
- xiv. Show present and future topography of site after reclamation, showing degree of slopes of remaining excavations, contours, and drainage;
- xv. Show an annual inspection schedule;
- xvi. Identification of existing wells on the project site and the location of proposed wells;
- xvii. Identification of all sewage disposal systems on the proposed site;
- xviii. Information regarding mitigation measures proposed to reduce potential nuisances, hazards or environmental impacts to on-site natural resources;
- xix. Traffic and Parking Plan;
- xx. Air pollution control plan for excavation activities;
- xxi. Noise Data (as described in the SM Ordinance);
- xxii. Waste Data (as described in the SM Ordinance);

- xxiii. Plan for mitigation of impacts to any on-site natural vegetation and trees, flora, fauna, vernal pools and riparian habitats.
- xxiv. Identification of any hazardous materials to be used in the mining operation and measures proposed for the management and disposal of those materials;
- xxv. Landscape Plan, when mining occurs within 500-ft of residences of public roadways;
- xxvi. Lighting Plan, when mining occurs within 500-ft of residences of public roadways;
- xxvii. Operating Hours; and
- xxviii. Fencing and Posting Plan, showing locations of all fences and signs warning of the mining operations. Trespass signs shall be posted at reasonable access points. Signs shall be kept in good repair.

2. For processing plants and M-2 uses in the Industrial Zone the applicant shall obtain a Building Permit pursuant to the existing Aerojet Building Permit Agreement (County Resolution 91-1474), as referred to in the Aerojet SPA.

3. For failure to follow conditions contained in the SPA Implementation Permit, oversight, enforcement and revocation by County shall occur pursuant to those procedures set forth in the County's Surface Mining and Reclamation Ordinance (Sacramento County Code § 20.04.010 et seq.) and the County's Zoning Ordinance (Sacramento County Zoning Code, § 110-110).

4. Prior to commencement of any surface or mining activities pursuant to the SPA Implementation Permit, Aerojet or a designee operating with Aerojet's knowledge and written consent shall obtain a Work Authorization Permit from the County.

5. County may revoke or suspend the Work Authorization Permit if the operator of the mining site, whether Aerojet or a designee operating with Aerojet's knowledge and written consent, fails to comply with the conditions of the Aerojet SPA Implementation Permit. Continued operation after revocation or suspension of the work authorization permit is deemed a violation of the Sacramento County Zoning Code.

6. The procedure for suspension or revocation of a work authorization permit is as follows:

- i. County shall notify the operator in writing of the alleged violation. Notice shall be hand delivered to the operator's local office or deposited as certified or registered mail in the U.S. mails.
- ii. The operator shall request an informal hearing with the Administrator of the Municipal Services Agency ("Administrator") or his or her delegee to be held within seven (7) days of delivery of the notice. The purpose of the meeting is to allow the Administrator and the operator to present their respective views regarding the alleged violations.
- iii. At the conclusion of the hearing, or the failure of the operator to ask for an informal hearing, the Administrator shall determine if the permit should continue in force, be suspended, or be revoked. A copy of the decision shall be delivered to the operator.
- iv. The decision of the Administrator may be appealed to the Board by giving notice thereof to the Clerk of the Board not later than five working days from the date of decision of the Administrator. The clerk shall schedule the appeal to be heard by the Board not later than the third regular meeting of the Board following receipt of notice of the appeal. The Board shall hear the appeal de novo.

7. This Agreement shall be binding on successors and assigns.

8. This Agreement may not be modified except upon written agreement executed by the County Board of Supervisors and Aerojet.

In witness whereof, the parties hereto have caused this Agreement to be executed on the day and the year written above.

County of Sacramento, a political subdivision of the State of California

By: Roberta Macklaska
Chairperson of the Board of Supervisors of the County of Sacramento, California



Sandra Burnett
Clerk of the Board of Supervisors

FILED

AUG 29 2006

BOARD OF SUPERVISORS
BY: Cody H. Tuzar
CLERK OF THE BOARD

Approved as to form

In accordance with Section 25103 of the Government Code of the State of California a copy of this document has been delivered to the Chairman of the Board of Supervisors, County of Sacramento on

Krista Winters
Supervising Deputy County Counsel

AUG 29 2006

By: Alyson Munsby
Deputy Clerk, Board of Supervisors

Aerojet General Corporation

Dated: Oct. 18, 2006

By: T. P. Griffin
Authorized Agent

RESOLUTION AUTHORIZING THE CHAIR TO EXECUTE THE AEROJET SPECIAL PLANNING AREA IMPLEMENTATION AGREEMENT REGARDING SURFACE MINING

WHEREAS, the Board of Supervisors conducted an appeal hearing on June 14, 2006 to consider the Planning Director's decision that surface mining is not a permitted use under the Aerojet Special Planning Area (SPA); and

WHEREAS, at that hearing the Board directed County staff to meet with representatives of Aerojet General Corporation (Aerojet) to create an agreement that would allow Aerojet to conduct mining while maintaining sufficient regulation over mining by the County; and

WHEREAS, Aerojet and County Staff developed the "Aerojet Special Planning Area Implementation Agreement Regarding Surface Mining" which was considered in a public hearing by the Board on August 29, 2006 ;

BE IT RESOLVED AND ORDERED that the Chair of the Board of Supervisors be and is hereby authorized to execute Aerojet Special Planning Area Implementation Agreement Regarding Surface Mining on behalf of the COUNTY OF SACRAMENTO, a political subdivision of the State of California, with Aerojet General Corporation and to do and perform everything necessary to carry out the purpose of this Resolution.

On a motion by Supervisor Peters, seconded by Supervisor Nottoli, the foregoing Resolution was passed and adopted by the Board of Supervisors of the County of Sacramento, State of California this 29th day of August, 2006, by the following vote, to wit:

- AYES: Supervisors, Collin, Dickinson, Nottoli, Peters, MacGlashan
- NOES: Supervisors, None
- ABSENT: Supervisors, None
- ABSTAIN: Supervisors, None

Roberta MacGlashan

Chair of the Board of Supervisors
of Sacramento County, California



Sandra Burnett
Clerk, Board of Supervisors

In accordance with Section 25108 of the Government Code of the State of California a copy of this document has been delivered to the Chairman of the Board of Supervisors, County of Sacramento on

AUG 29 2006

By *Raymond Murphy*
Deputy Clerk, Board of Supervisors

FILED

AUG 29 2006

BOARD OF SUPERVISORS

BY *Cindy A. Turner*
CLERK OF THE BOARD