South Coast Air Quality Management District

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SENT VIA E-MAIL AND USPS:

May 24, 2019

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## Draft Environmental Impact Report (Draft EIR) for the Proposed K4 Warehouse and Cactus Channel Improvements Project (SCH No.: 2018111036)

South Coast Air Quality Management District (South Coast AQMD) staff appreciates the opportunity to comment on the above-mentioned document. The following comments are meant as guidance for the Lead Agency and should be incorporated into the Final EIR.

### South Coast AQMD Staff's Summary of Project Description

The Lead Agency proposes to construct a 718,000-square-foot warehouse and 7,900 linear feet of improvements to the Cactus Channel on 35.4 acres (Proposed Project). The Proposed Project is located on the southwest corner of Cactus Avenue and Frederick Street in the County of Riverside. Construction is anticipated to begin in May 2019, and the Proposed Project is anticipated to be fully operational by June 2020<sup>1</sup>. During operations, the Proposed Project is expected to generate 517 truck trips per day<sup>2</sup>.

#### South Coast AQMD Staff's Summary of Air Quality Analysis

In the Air Quality Analysis section, the Lead Agency quantified the Proposed Project's construction and operational emissions and compared those emissions to South Coast AQMD's recommended regional and localized air quality CEQA significance thresholds. Based on the analyses, the Lead Agency found that the Proposed Project's regional construction air quality impacts would be significant for NOx at 125.8 pounds per day (lbs/day) and for VOCs at 527.4 lbs/day<sup>3</sup>. With the implementation of Mitigation Measures (MMs) AQ-1 and MM-AQ-2, construction–related NOx and VOC emissions would be reduced to 94 lbs/day and 53 lbs/day, respectively<sup>4</sup>. MM-AQ-1 requires that all off-road diesel-powered construction equipment greater than 50 horsepower (hp) meet Tier 3 standards, and 50% of construction equipment meet Tier 4 standards<sup>5</sup>. MM-AQ-2 requires architectural coatings meet the 10 grams per liter of VOCs "super-compliant" standard<sup>6</sup>. The Lead Agency also found that the Proposed Project's operational air quality impacts would be significant for NOx at 253 lbs/day<sup>7</sup>. After the implementation of MM-AQ-4 through MM-AQ-6, which require implementation of energy efficiency measures, project design features that encourage alternative modes of transportation, such as designating at least 5% of parking for clean air vehicles, and accommodating SmartWay<sup>8</sup> trucks at loading docks, operational NOx

<sup>&</sup>lt;sup>1</sup> Draft EIR. Section 4.2 Air Quality. Page 4.2-20.

<sup>&</sup>lt;sup>2</sup> *Ibid.* Section 4.11 Transportation. Page 4.11-33.

<sup>&</sup>lt;sup>3</sup> Draft EIR. Section 4.2 Air Quality. Page 4.2-20.

<sup>&</sup>lt;sup>4</sup> Ibid.

<sup>&</sup>lt;sup>5</sup> *Ibid*. Page 4.2-26

<sup>&</sup>lt;sup>6</sup> Ibid.

<sup>&</sup>lt;sup>7</sup> *Ibid.* Page 4.2-29.

<sup>&</sup>lt;sup>8</sup> SmartWay is a U.S. Environmental Protection Agency program that is intended to streamline shipping operations and advance supply chain sustainability by measuring, benchmarking, and improving freight transportation efficiency. More information is available here: <u>https://www.epa.gov/smartway</u>.

emissions would remain significant and unavoidable at 253 lbs/day<sup>9</sup>. The Lead Agency prepared a mobile source Health Risk Assessment (HRA) analysis and found that operation of the Proposed Project would result in a cancer risk of 1.3 in one million<sup>10</sup>, which would be below South Coast AQMD's CEQA significance threshold of 10 in one million for cancer risk<sup>11</sup>.

### South Coast AQMD's 2016 Air Quality Management Plan

On March 3, 2017, the South Coast AQMD's Governing Board adopted the 2016 Air Quality Management Plan (2016 AQMP)<sup>12</sup>, which was later approved by the California Air Resources Board on March 23, 2017. Built upon the progress in implementing the 2007 and 2012 AQMPs, the 2016 AQMP provides a regional perspective on air quality and the challenges facing the South Coast Air Basin. The most significant air quality challenge in the Basin is to achieve an additional 45 percent reduction in nitrogen oxide (NOx) emissions in 2023 and an additional 55 percent NOx reduction beyond 2031 levels for ozone attainment.

## South Coast AQMD Staff's General Comments

As described in the 2016 AQMP, achieving NOx emissions reductions in a timely manner is critical to attaining the National Ambient Air Quality Standard (NAAQS) for ozone before the 2023 and 2031 deadlines. South Coast AQMD is committed to attaining the ozone NAAQS as expeditiously as practicable. With the implementation of MM-AQ-1 through MM-AQ-6, the Proposed Project would result in 94 lbs/day of NOx emissions during construction and 253 lbs/day of NOx emissions during operation<sup>13</sup>. Therefore, the Proposed Project plays an important role in contributing towards the Basin's NOx emissions. To further reduce those emissions, South Coast AQMD staff recommends that the Lead Agency incorporate additional mitigation measures in the Final EIR. Please see the attachment for more information. The attachment also includes recommendations to include discussions of South Coast AQMD rules that may be applicable to the Proposed Project in the Final EIR.

### Conclusion

Pursuant to California Public Resources Code Section 21092.5(a) and CEQA Guidelines Section 15088(b), South Coast AQMD staff requests that the Lead Agency provide South Coast AQMD staff with written responses to all comments contained herein prior to the certification of the Final EIR. In addition, issues raised in the comments should be addressed in detail giving reasons why specific comments and suggestions are not accepted. There should be good faith, reasoned analysis in response. Conclusory statements unsupported by factual information will not suffice (CEQA Guidelines Section 15088(c)). Conclusory statements do not facilitate the purpose and goal of CEQA on public disclosure and are not meaningful, informative, or useful to decision makers and to the public who are interested in the Proposed Project. Further, when the Lead Agency makes the finding that the recommended revisions to MM-AQ-1 and additional mitigation measures are not feasible, the Lead Agency should describe the specific reasons for rejecting them in the Final EIR (CEQA Guidelines Section 15091).

South Coast AQMD staff is available to work with the Lead Agency to address any air quality questions that may arise from this comment letter. Please contact Alina Mullins, Assistant Air Quality Specialist, at <u>amullins@aqmd.gov</u> or (909) 396-2402, should you have any questions.

<sup>&</sup>lt;sup>9</sup> Draft EIR. Section 4.2 Air Quality. Page 4.2-38.

<sup>&</sup>lt;sup>10</sup> *Ibid.* Page 4.2-34 through 35.

<sup>&</sup>lt;sup>11</sup> South Coast AQMD has developed the CEQA significance threshold of 10 in one million for cancer risk. When South Coast AQMD acts as the Lead Agency, South Coast AQMD staff conducts a HRA, compares the maximum cancer risk to the threshold of 10 in one million to determine the level of significance for health risk impacts, and identifies mitigation measures if the risk is found to be significant.

<sup>&</sup>lt;sup>12</sup> South Coast AQMD. March 3, 2017. 2016 Air Quality Management Plan. Accessed at: <u>http://www.aqmd.gov/home/library/clean-air-plans/air-quality-mgt-plan</u>.

<sup>&</sup>lt;sup>13</sup> Draft EIR. Section 4.2 Air Quality. Page 4.2-38.

Sincerely, *Lijin Sun* Lijin Sun, J.D. Program Supervisor, CEQA IGR Planning, Rule Development & Area Sources

Attachment LS:AM <u>RVC190423-01</u> Control Number

# ATTACHMENT

## Recommended Revisions to existing Mitigation Measure (MM) MM-AQ-1

1. CEQA requires that all feasible mitigation measures that go beyond what is required by law be utilized to minimize or eliminate any significant adverse air quality impacts. During construction, the Proposed Project will result in 94 lbs/day of NOx emissions with the implementation of MM-AQ-1.

As currently written, MM-AQ-1 requires that construction equipment greater than 50 horsepower shall meet, at a minimum, the Tier 3 emission standards for non-road diesel engines; 50% of construction equipment used shall meet the Tier 4 Final emissions standards. To further reduce the Proposed Project's NOx emissions during construction, South Coast AQMD staff recommends that the Lead Agency require <u>all</u> off-road diesel-powered equipment equal to or greater than 50 horsepower meet or exceed Tier 4 emission standards in the Final EIR (<u>emphasis added</u>). South Coast AQMD staff also recommends the Lead Agency incorporate language to demonstrate enforceability. Specifically, South Coast AQMD staff recommends that the Lead Agency incorporate the following revisions to MM-AQ-1.

## MM-AQ-1 Construction Equipment Emissions Standards.

During Project construction, the construction contractor, with oversight by March JPA, shall ensure that all off-road diesel-powered construction equipment greater than 50 horsepower shall meet, at a minimum, the Tier 3 Tier 4 emission standards for non-road diesel engines promulgated by the U.S. Environmental Protection Agency (EPA). In addition, the construction contractor shall utilize 50% Tier 4 Final construction equipment, based on number of pieces of construction equipment. Such equipment should be outfitted with Best Available Control Technology (BACT) devices including, but not limited to, a CARB certified Level 3 Diesel Particulate Filters (DPF). Level 3 DPFs are capable of achieving at least an 85 percent reduction in particulate matter emissions. A list of CARB verified DPFs are available on the CARB website. Additionally, the Lead Agency should include this requirement in applicable bid documents, and that successful contractor(s) must demonstrate the ability to supply compliant equipment prior to the commencement of any construction activities. The Lead Agency should also require periodic reporting and provision of written documentation by contractors to ensure compliance, and conduct regular inspections to the maximum extent feasible to ensure compliance.

### **Additional Recommended Mitigation Measures**

2. After the implementation of MM-AQ-4 through MM-AQ-6, operational NOx emissions would remain significant and unavoidable. To further reduce those emissions and to facilitate the achievement of goals and attainment timelines outlined in the 2016 AQMP, South Coast AQMD staff recommends that the Lead Agency incorporate the following operational mitigation measures in the Final EIR. For more information on potential mitigation measures as guidance to the Lead Agency, please visit South Coast AQMD's CEQA Air Quality Handbook website<sup>14</sup>.

### Mitigation Measures for Significant Operational Air Quality Impacts from Mobile Sources

• Require the use of zero emission (ZE) or near-zero emission (NZE) heavy-duty trucks during operation, such as trucks with natural gas engines that meet CARB's adopted optional NOx emission standard of 0.02 grams per brake horsepower-hour (g/bhp-hr). At a minimum, require that operators of heavy-duty trucks visiting the Proposed Project during operation commit to

<sup>&</sup>lt;sup>14</sup> South Coast Air Quality Management District. Accessed at: <u>http://www.aqmd.gov/home/regulations/ceqa/air-quality-analysis-handbook.</u>

using 2010 model year<sup>15</sup> or newer engines that meet CARB's 2010 engine emission standards of 0.01 g/bhp-hr for particulate matter (PM) and 0.20 g/bhp-hr of NOx emissions or newer, cleaner trucks. Include analyses to evaluate and identify sufficient power available for ZE trucks and supportive infrastructures in the Energy and Utilities and Service Systems Sections of the Final EIR, where appropriate.

To monitor and ensure ZE, NZE, or 2010 model year trucks are used at the Proposed Project, the Lead Agency should require that operators maintain records of all trucks associated with the Proposed Project's operation, and make these records available to the Lead Agency upon request. The records will serve as evidence to prove that each truck called to the Proposed Project during operation meets the minimum 2010 model year engine emission standards. Alternatively, the Lead Agency should require periodic reporting and provision of written records by operators, and conduct regular inspections of the records to the maximum extent feasible and practicable.

- Limit the daily number of truck trips allowed at the Proposed Project to the level that was analyzed in the Final EIR (e.g., 517 daily truck trips). If higher daily truck volumes are anticipated during operation than what was analyzed in the certified Final EIR, the Lead Agency should commit to re-evaluating the Proposed Project's air quality and health risks impacts through CEQA prior to allowing higher activity levels (CEQA Guidelines Section 15162).
- Require trucks to use the truck routes that were used to analyze the air quality and HRA impacts in the Final EIR.
- Enforce the March JPA designated truck routes, which are discussed in the Transportation section of the Draft EIR<sup>16</sup>.
- Have truck routes clearly marked with trailblazer signs, so that trucks will not enter residential areas that are adjacent to portions of the designated truck routes analyzed in the Final EIR.
- Restrict overnight truck parking in residential areas. Establish parking within the Proposed Project where trucks can rest overnight.
- Establish area(s) within the Proposed Project site for repair needs and ensure that these designated areas are away from any sensitive land uses.

### Responsible Agency, Permits, and Compliance with South Coast AQMD Rules

3. Implementation of the Proposed Project may require permits from South Coast AQMD. If operation of the Proposed Project will involve the use of stationary diesel-fueled internal combustion or compression engines (i.e., generators or firefighting equipment), South Coast AQMD Rule 1470 – Requirement for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines<sup>17</sup> and South Coast AQMD Rule Series 1146 – Emissions of Oxides of Nitrogen from

<sup>&</sup>lt;sup>15</sup> CARB adopted the statewide On-Road Truck and Bus Regulation in 2010. The Regulation requires diesel trucks and buses that operate in California to be upgraded to reduce emissions. Newer heavier trucks and buses must meet particulate matter filter requirements beginning January 1, 2012. Lighter and older heavier trucks must be replaced starting January 1, 2015. By January 1, 2023, nearly all trucks and buses will need to have 2010 model year engines or equivalent. More information on the CARB's Truck and Bus Regulations is available here: <a href="https://www.arb.ca.gov/msprog/onrdiesel/onrdiesel.htm">https://www.arb.ca.gov/msprog/onrdiesel.htm</a>.

<sup>&</sup>lt;sup>16</sup> Draft EIR. Section 4.11 Transportation. Pages 4.11-1 through 4.11-138.

<sup>&</sup>lt;sup>17</sup> South Coast AQMD. Rule 1470 – Requirement for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines. Accessed at: <u>http://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1470.pdf</u>.

Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters<sup>18</sup>, including Rule 1146.1 - Emissions of Oxides of Nitrogen from Small Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters<sup>19</sup> and Rule 1146.2 – Emissions of Oxides of Nitrogen from Large Water Heaters and Small Boilers and Process Heaters<sup>20</sup> would apply and should be discussed in the Air Ouality Section of the Final EIR. Therefore, South Coast AOMD staff recommends that the Lead Agency consult with South Coast AQMD Permitting and Engineering staff as early as feasible to determine permit requirements and any applicable rules and regulations that should be discussed in the CEOA document for the Proposed Project. Additionally, in the event that the Proposed Project will use new stationary equipment that requires a permit from South Coast AQMD, the Lead Agency should identify South Coast AQMD as a Responsible Agency for the Proposed Project in the Final EIR. Questions on permits and applicable South Coast AQMD rules can directed to South Coast AQMD's Engineering and Permitting staff at (909) 396-3385. For more general information on permits, please visit South Coast AQMD's webpage at: http://www.aqmd.gov/home/permits.

<sup>&</sup>lt;sup>18</sup> South Coast AQMD. Rule 1146 – Emissions of Oxides of Nitrogen from Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters. Accessed at: <u>http://www.aqmd.gov/docs/default-source/rule-book/reg-xi/rule-1146.pdf</u>.

<sup>&</sup>lt;sup>19</sup> South Coast AQMD. Rule 1146.1 – Emissions of Oxides of Nitrogen from Small Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters. Accessed at: <u>http://www.aqmd.gov/docs/default-source/rule-book/reg-xi/rule-1146-1.pdf</u>.

<sup>&</sup>lt;sup>20</sup> South Coast AQMD. Rule 1146.2 – Emissions of Oxides of Nitrogen from Large Water Heaters and Small Boilers and Process Heaters. Accessed at: <u>http://www.aqmd.gov/docs/default-source/rule-book/reg-xi/rule-1146-2.pdf</u>.