



South Coast Air Quality Management District

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Draft Environmental Impact Report (Draft EIR) for the Proposed Veterans Industrial Park 215 Project (SCH No.: 2016081061)

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 develop either a single warehouse (Single Building Option) totaling 2,219,852 square feet or two warehouses (Two Buildings Option) totaling 2,090,518 square feet of cold storage and non-cold storage warehousing, distribution, and manufacturing uses, and/or assembly centers on 142.5 acres (Proposed Project). The Proposed Project is located east of the Interstate 215 (I-215) and north of Nandina Avenue within the jurisdiction of the March Joint Powers Authority (March JPA). Construction of the Single Building Option would take 16 months while construction under the Two Buildings Option would take 12 months for each building¹. At full buildout, the Single Building Option will include 230 dock doors and involve 1,543 daily truck trips², and the Two Buildings Option will include 375 dock doors³ and involve 1,421 daily truck trips⁴. The closest sensitive receptors are residential uses that are located 6,100 feet (1.15 miles) to the south of the Proposed Project⁵.

South Coast AQMD Staff's Summary of the Air Quality Analysis and Health Risk Assessment

Based on reviews of the Draft EIR, the Lead Agency used the Single Building Option (2,219,852 square feet) to quantify the Proposed Project's regional and localized construction and operational emissions and compared those emissions to South Coast AQMD's recommended air quality CEQA significance thresholds. The Lead Agency found that the Proposed Project's regional construction air quality impacts would be significant for volatile organic compounds (VOCs) and nitrogen oxides (NOx) at 92 pounds per day (lbs/day) and 426 lbs/day, respectively⁶. Additionally, the Lead Agency found that the Proposed Project's regional operational air quality impacts would also be significant for NOx at 454 lbs/day⁷. The Lead Agency is committed to using construction equipment that meet or exceed U.S. Environmental Protection Agency (EPA) Tier 4 off-road emissions standards and 2010 model year trucks or newer during operation⁸. After implementation of air quality mitigation measures, the Proposed Project's regional construction air quality impacts from NOx and operational air quality impacts from VOCs and NOx would

¹ Draft EIR. Chapter 3.2: Air Quality. Page 3.2-18.

² Appendix K: Traffic Study. Page 75.

³ Draft EIR. Chapter 2: Project Description. Page 2-12.

⁴ Appendix K: Traffic Study. Page 30

⁵ Draft EIR. Page. 3.9-20.

⁶ *Ibid.* Page 3.2-37.

⁷ *Ibid.* Page 3.2-38.

⁸ Draft EIR. Executive Summary. Page ES-11.

remain significant and unavoidable⁹. Based on the localized air quality impacts analysis in the Draft EIR, the Lead Agency found that the Proposed Project's localized construction and operational air quality impacts would be less than significant¹⁰. The Lead Agency also conducted a construction health risk assessment (HRA), an operational HRA, and a cumulative construction and operational HRA. The Lead Agency found that the Proposed Project's construction, operational, and cumulative incremental inhalation cancer risk would be 1.10 in one million, 0.02 in one million, and 1.11 in one million¹¹, respectively, and none of which would exceed South Coast AQMD's CEQA significance threshold of 10 in one million for cancer risk.

Summary of South Coast AQMD Staff's Comments

Since the Proposed Project's construction and operational air quality impacts, particularly NOx emissions, would be significant and unavoidable, South Coast AQMD staff recommends that the Lead Agency strengthen the existing air quality mitigation measure (MM-AIR-3) and incorporate new mitigation measures in the Final EIR to further reduce the emissions. Additionally, since the Proposed Project is greater than 50 acres, the Lead Agency should include a discussion in the Final EIR on the specific requirements of South Coast AQMD Rule 403(e) – Additional Requirements for Large Operations¹² and information on other applicable South Coast AQMD Rules. Please see the attachment for more information.

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, if the Lead Agency makes the findings that the recommended revisions to the existing air quality mitigation measure and additional recommended mitigation measures are not feasible, the Lead Agency should describe the specific reasons supported by substantial evidence 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 Margaret Isied, Assistant Air Quality Specialist, at misied@aqmd.gov or (909) 396-2543, should you have any questions or would like to discuss the comments.

Sincerely,

Lijin Sun

Lijin Sun, J.D.

Program Supervisor, CEQA IGR

Planning, Rule Development & Area Sources

Attachment

LS:MI

RVC200317-05

Control Number

⁹ *Ibid.* Page 3.2-40 and 3.2-42.

¹⁰ *Ibid.* Page 3.2-48 and 3.2-50.

¹¹ *Ibid.* Page 3.2-52.

¹² South Coast AQMD. Rule 403. Last amended June 3, 2005. Accessed at: <http://www.aqmd.gov/docs/default-source/rulebook/rule-iv/rule-403.pdf>.

ATTACHMENT**1. Recommended Revisions to Existing Air Quality Mitigation Measure (MM)-AIR-3**

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. Since the Proposed Project's regional NO_x emissions from operation would remain significant and unavoidable at 177 lbs/day after mitigation¹³, South Coast AQMD staff recommends that the Lead Agency strengthen MM-AIR-3 to require the use of zero-emissions or near-zero emissions trucks during operation in the Final EIR.

Near-zero emissions heavy-duty truck engines are commercially available. Examples of commercially available NZE heavy-duty truck engines that meet California Air Resources Board's optional low NO_x standards include, but are not limited to, Cummins Westport 8.9- and 6.7-liter natural gas engines and Roush Cleantech 6.8- liter compressed natural gas and liquefied petroleum gas engines¹⁹. Therefore, NZE heavy-duty trucks should be required for use during operation.

On March 3, 2017, the South Coast AQMD's Governing Board adopted the 2016 Air Quality Management Plan (2016 AQMP)¹⁴, which was later approved by CARB 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 (Basin). The most significant air quality challenge in the Basin is to achieve an additional 45 percent reduction in nitrogen oxide (NO_x) emissions in 2023 and an additional 55 percent NO_x reduction beyond 2031 levels for ozone attainment.

Implementation of the Proposed Project contributes to Basin-wide NO_x emissions. Requiring the use of ZE heavy-duty trucks supports South Coast AQMD's efforts to attain state and federal air quality standards as outlined in the 2016 AQMP, specifically for NO_x emissions reductions. Requiring the use of ZE heavy-duty trucks also fulfills the Lead Agency's legal obligation to mitigate the Proposed Project's significant operational air quality impacts and complies with CEQA's requirements for mitigation measures. Therefore, South Coast AQMD staff recommends that the Lead Agency make a stronger commitment to require the use of cleaner trucks during operation.

The recommended revisions to MM-AIR-3 in strikethrough and underline are provided as follows.

MM-AIR-3

Operational Haul Truck Requirement: Require the use of zero-emissions (ZE) or near-zero emissions (NZE) on-road vehicles and off-road equipment during operation, such as trucks with natural gas engines that meet the CARB's adopted optional NO_x emission standard of 0.02 grams per brake horsepower-hour (g/bhp-hr). At a minimum, the project operator(s) shall ensure, through sale or leasing agreements, that the haul fleet consist of trucks that at a minimum meet the emissions standards of a 2010 vehicle model, and as trucks are replaced they are replaced with the newest available model. To monitor and ensure ZE, NZE, or 2010 model year or newer trucks are used at the Proposed Project, the Lead Agency should require that operators maintain records of all trucks and equipment associated with the Proposed Project's operation, and make these records available to the Lead Agency upon request. 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.

¹³ *Ibid.* Page 3.2-42

¹⁴ South Coast AQMD. March 3, 2017. 2016 Air Quality Management Plan. Accessed at: <http://www.aqmd.gov/home/library/clean-air-plans/air-quality-mgt-plan>.

If implementing ZE heavy-duty trucks are impractical or infeasible to include in the Final EIR, the Lead Agency should develop and include performance standards to achieve the use of ZE heavy-duty trucks (CEQA Guidelines Section 15126.4(a)). The Lead Agency can and should develop the following performance standards or any other comparable standards in the Final EIR.

- Develop a minimum amount of ZE heavy-duty trucks that the Proposed Project must use each year to ensure adequate progress. Include this requirement in the Proposed Project's Business or Management Plan.
- Establish a contractor(s)/truck operator(s) selection policy that prefers contractor(s)/truck operator(s) who can supply ZE heavy-duty trucks at the Proposed Project. Include this policy in the Request for Proposal for selecting contractor(s)/truck operator(s).
- Develop a target-focused and performance-based process and timeline to implement the use of ZE heavy-duty trucks during operation.
- Develop a project-specific process and criteria for periodically assessing progress in implementing the use of ZE heavy-duty trucks during operation.

2. Additional Recommended Air Quality Mitigation Measures

CEQA requires that the Lead Agency considers mitigation measures to minimize significant adverse impacts (CEQA Guidelines Section 15126.4) and 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. The Proposed Project's regional construction and operational air quality impacts, particularly from NO_x emissions, would remain significant and unavoidable after mitigation. To further reduce the Proposed Project's construction and operational emissions, and to comply with CEQA requirements, South Coast AQMD staff commends that the Lead Agency include additional air quality mitigation measures for implementation at the Proposed Project 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 website¹⁵.

Construction-related Air Quality Mitigation Measures

- a) Require construction equipment such as concrete/industrial saws, pumps, aerial lifts, material hoist, air compressors, forklifts, excavator, wheel loader, and soil compactors be electric or alternative-fueled (i.e., non-diesel). Information on companies and electric powered equipment that can and should be used during construction is available at: <https://www.forconstructionpros.com/construction-technology/article/21107531/electrified-construction-equipment-gaining-momentum>.

Operation-related Air Quality Mitigation Measures

- b) Limit the daily number of truck trips allowed at the Proposed Project to the level that was analyzed in the Final EIR (e.g., 1,543 daily truck trips). If it is reasonably foreseeable before the EIR is certified that the Proposed Project would generate more than 1,543 daily truck trips, the Lead Agency should take into account additional daily truck trips and re-evaluate the Proposed Project's air quality and HRA impacts (CEQA Guidelines Section 15088.5). If information becomes available, after the Proposed Project is approved, suggesting that the Proposed Project will generate more than 1,543 daily truck trips, the Lead Agency is required to determine if a Subsequent EIR is required under CEQA Guidelines Section 15162. This recommended mitigation measure is to ensure that the modeling assumption of 1,543 daily truck trips, which was used to quantify the

¹⁵ South Coast AQMD. Accessed at: <http://www.aqmd.gov/home/regulations/ceqa/air-quality-analysis-handbook>.

Proposed Project's operational emissions and health risks will serve as a condition of project approval.

- c) Design the Proposed Project such that any check-in point for trucks is well inside the Proposed Project site to ensure that there are no trucks queuing outside of the facility.

3. South Coast AQMD Rule 403(e), Permits, and Responsible Agency

The Lead Agency included a discussion of general compliance with South Coast AQMD Rule 403 – Fugitive Dust in the Draft EIR¹⁶. Since the Proposed Project is a large operation of approximately 142.5 acres¹⁷ (50-acre sites or more of disturbed surface area; or daily earth-moving operations of 3,850 cubic yards or more on three days in any year) in the South Coast Air Basin, the Lead Agency is required to comply with Rule 403(e) – Additional Requirements for Large Operations¹⁸. Additional requirements may include, but are not limited to, Large Operation Notification (Form 403 N), appropriate signage, additional dust control measures, and employment of a dust control supervisor that has successfully completed the Dust Control in the South Coast Air Basin training class¹⁹. Therefore, South Coast AQMD staff recommends that the Lead Agency include a discussion to demonstrate specific compliance with South Coast AQMD Rule 403(e) in the Final EIR. Compliance with South Coast Rule 403(e) will further reduce regional and localized emissions from particulate matters during construction.

In the event that soil remediation is required, South Coast AQMD should be consulted in advance to determine permit requirements and/or South Coast AQMD rules that the Proposed Project must comply. The Lead Agency should initiate consultation with South Coast AQMD as required under CEQA Guidelines Section 15096(b). After consultation, if it is determined that a permit from South Coast AQMD is required for remediation, South Coast AQMD should be identified as a Responsible Agency for the Proposed Project in the Final EIR. The Final EIR should also include discussions of all applicable South Coast AQMD rules that the Proposed Project must comply. Any assumptions used in the Air Quality Analysis in the Final EIR will be used as the basis for permit conditions and limits for the Proposed Project. Generally, operation of portable engines and portable equipment units of 50 horsepower (hp) or greater that emit particulate matter require a permit from South Coast AQMD or registration with the Portable Equipment Registration Program (PERP) through CARB²⁰. The Lead Agency should consult with South Coast AQMD's Engineering and Permitting staff to determine if the Proposed Project will involve uses of equipment requiring a South Coast AQMD permit (e.g., prior to start of soil disturbing activities during construction) or if registration under the PERP through CARB²¹. Should there be any questions on permits, please contact the 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>. For more information on the PERP Program, please contact CARB at (916) 324-5869 or visit CARB's webpage at: <https://ww2.arb.ca.gov/our-work/programs/portable-equipment-registration-program-perp>.

¹⁶ Draft EIR. Chapter 3.2 Air Quality. Page 3.2-14.

¹⁷ *Ibid.* Page 3.2-19.

¹⁸ South Coast AQMD. Rule 403. Last amended June 3, 2005. Accessed at: <http://www.aqmd.gov/docs/default-source/rule-book/rule-iv/rule-403.pdf>.

¹⁹ South Coast AQMD Compliance and Enforcement Staff's contact information for Rule 403(e) Large Operations is (909) 396-2608 or by e-mail at dustcontrol@aqmd.gov.

²⁰ South Coast Air Quality Management District. *Portable Equipment Registration Program (PERP)*. Accessed at: <http://www.aqmd.gov/home/permits/equipment-registration/perp>.

²¹ *Ibid.*