



South Coast Air Quality Management District

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SENT VIA E-MAIL AND USPS:

January 5, 2018

ceqacomments@portla.org

Christopher Cannon, Director
City of Los Angeles Harbor Department
Environmental Management Division
425 S. Palos Verdes Street
San Pedro, CA 90731

Mitigated Negative Declaration (MND) for the Proposed Berth 240 Transportation Vessels Manufacturing Facility Project

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

The Proposed Project consists of demolition of existing berth structures and construction of a marine vessel manufacturing facility. The proposed 203,450-square-foot facility will be located on approximately 10 acres (Proposed Project).

SCAQMD staff has reviewed the Air Quality Analysis in the MND for the Proposed Project. Comments are included in the attachment. Pursuant to CEQA Guidelines Section 15074, prior to approving the Proposed Project, the Lead Agency shall consider the MND for adoption together with any comments received during the public review process. SCAQMD staff is available to work with the Lead Agency to address any air quality questions that may arise from this comment letter. Please contact Ms. Lijin Sun, Program Supervisor, CEQA IGR Section, at (909) 396-3308, if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Lijin Sun", written over a light blue dotted background.

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

Attachment
MK:LS:JC
LAC171213-01
Control Number

ATTACHMENT

Air Quality Analysis Methodology

1. In the Appendix A, *Emission Calculations*, in the MND, the Lead Agency showed the Proposed Project's operational emissions by source categories¹. To calculate emissions from the "off-road operational" source category, "PM2.5 emissions were assumed to be 20% of PM10 emissions"². Based on SCAQMD's methodology to calculate PM2.5 and PM10 emissions, for off-road combustions sources, the PM2.5 fraction of PM10 is 89 percent³. Therefore, SCAQMD staff recommends recalculating PM2.5 emissions for the "off-road operational" source category in the Final MND or provide additional information to justify for use of 20% of PM10 emissions.
2. The Air Quality Analysis did not include emissions from barge hoteling or auxiliary power while at dockside. In order to accurately reflect a complete emission profile from the proposed operation, SCAQMD staff recommends incorporating emissions from barge hoteling and auxiliary power into the Air Quality Analysis.
3. According to the most recently adopted 2017 Clean Air Action Plan's Performance Standards for Harbor Craft (HC1), all harbor crafts are required to meet U.S. EPA Tier II emission standards. The Lead Agency is thereby committed to using harbor crafts meeting EPA Tier II emission standards⁴. However, the air quality modeling assumed that all harbor craft will be equipped with Tier III engines⁵. To be consistent with the modeling assumption, SCAQMD staff recommends that the Lead Agency commit to using all harbor crafts with Tier III engines, which ensures that the Proposed Project will meet and exceed U.S. EPA Tier II emission standards requirement; otherwise, the Lead Agency should revise the modeling assumption to Tier II engines to be consistent with the commitment.

Enforceability of Lease Measure and Mitigation Measure

4. Based on a review of the Air Quality Section, SCAQMD staff found that the Lead Agency is committed to requiring the tenant to exclusively use zero VOC architectural coatings [Mitigation Measure (MM) AQ-1]. Based on this commitment, the Proposed Project's construction and operational emissions from VOC would be mitigated to less than significant⁶. Additionally, the Lead Agency is committed to requiring "the tenant to limit usage to the equivalent of 260 gallons of VOC-containing materials per year and 1.4 million square feet of pre-impregnated material per year" as one of the Air Quality-related Lease Measures (LM AQ-1)⁷. SCAQMD staff supports the Lead Agency's commitments to reducing VOC emissions and recommends that the Lead Agency ensure that during operation

¹ MND. Appendix A, *Emission Calculations*. Table: Operational Emissions.

² *Ibid.* Note 1.

³ South Coast Air Quality Management District. October 2006. *Final PM2.5 Calculation Methodology and PM2.5 Significance Thresholds*. Accessed at: [http://www.aqmd.gov/docs/default-source/ceqa/handbook/localized-significance-thresholds/particulate-matter-\(pm\)-2.5-significance-thresholds-and-calculation-methodology/final_pm2_5methodology.pdf](http://www.aqmd.gov/docs/default-source/ceqa/handbook/localized-significance-thresholds/particulate-matter-(pm)-2.5-significance-thresholds-and-calculation-methodology/final_pm2_5methodology.pdf).

⁴ MND. Table 4.7-3. Page 4.7-10.

⁵ *Ibid.* Appendix A, *Emission Calculations*. Output: Stationary Source Emissions.

⁶ *Ibid.* Page 2-25.

⁷ *Ibid.* Table 4.3-2 and Table 4.3-4 on pages 4.3-6 through 4.3-9.

of the Proposed Project, the tenant limits the emissions of VOC-containing materials, through implementation of both MM AQ-1 and LM AQ-1, to not exceed SCAQMD's air quality CEQA significance threshold for VOC of 55 lbs/day, and that there is an enforcement mechanism to ensure MM AQ-1 and LM AQ-1 are effective throughout the life of the Proposed Project.

5. Furthermore, based on a review of the Appendix A, *Emission Calculations*, in the MND, SCAQMD staff found that the Lead Agency is committed to using the U.S. EPA Tier 4 off-road emission standards for all off-road diesel powered construction equipment. To be consistent with the modeling assumption, SCAQMD staff recommends that the Lead Agency ensure that use of Tier 4 construction equipment is fully enforceable during construction of the Proposed Project by including it in the contracts and/or agreements with contractor(s) and requiring contractor(s) to keep records that are made available upon inspection to demonstrate compliance.
6. In the event that MM AQ-1, LM AQ-1, and/or use of Tier 4 construction equipment are found or proved to be infeasible, this constitutes substantial changes that require a new environmental assessment by the Lead Agency to determine if the Proposed Project's air quality impacts, particularly from VOC emissions, will become a new significant environmental effect triggering the preparation of a subsequent MND (CEQA Guideline Section 15162).

Compliance with SCAQMD Rules

7. Based on a review of the Project Description, SCAQMD staff recommends that the Lead Agency include a discussion in the Final MND to demonstrate compliance with the requirements of SCAQMD Rules as follows:
 - Rule 1106 – Marine Coating Operations,
 - Rule 1107 – Coating of Metal Parts and Products,
 - Rule 1171 – Solvent Cleaning Operations, and
 - Rule 109 – Recordkeeping for Volatile Organic Compound Emissions.