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<u>Draft Environmental Impact Report (Draft EIR) for the Proposed Al Larson Boat Shop</u> <u>Improvement Project</u>

The South Coast Air Quality Management District (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 CEQA document.

In the project description, the lead agency proposes improvements that would redevelop the existing facility to modernize and upgrade the existing boat shop to increase the existing annual operational output from 130 to 304 boats refinished per year. Construction would include demolition of existing structures, excavation, dredging, and the re-use of contaminated dredged material from the site to create approximately 0.9 acres of new land at the site in two newly constructed engineered landfills. Contaminated soils would be removed, disposed off-site, and clean soil would be imported. Further construction would include a new 2,400 square foot office building, paving, utility lighting, a new storm drain system and other upgrades. The construction would begin in 2012 and would occur over a three year period. The business would continue to operate during the proposed construction schedule.

Permitting

Based on the lead agency's air quality emission estimates, the AQMD staff notes that the coating air quality emission impacts resulting from the level of projected coating operations would subject the proposed operations to SCAQMD permit review. This review may include requirements under SCAQMD Regulation XIII (New Source Review), Rule 1401 (New Source Review of Toxic Air Contaminants) and Title V permits. The AQMD engineering and compliance staff should be contacted to address these permitting requirements. Questions concerning permit requirements can be directed to AQMD staff at (909) 396-2504.

VOC's During Operations

The Draft EIR describes the emissions reported in Tables 3.2-4 and 3.2-16 as peak daily emissions. However, the baseline emission calculations assume average daily levels using Annual Emission Reports, and project emissions simply scale up these levels using the ratio of annual ship visits with and without the project. In other words, it appears that the lead agency assumed that the emissions increase occurs uniformly throughout the year such that there is no difference between an average day and a peak day. Incremental unmitigated VOC emissions are projected to be 54 pounds per day (lbs/day) (Table 3.2-16), just below AQMD's threshold of significance of 55 lbs/day. If operational activities (like coatings) vary day by day, the peak daily emissions may exceed the average 54 lbs/day calculated in the Draft EIR. The lead agency should either recalculate VOC impacts using a peak daily analysis, or it should place limits on the project stating that it cannot exceed the emissions specified in the Draft EIR.

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Health Risk Assessment

In the lead agency's health risk assessment (HRA), it appears that the HRA determined potential health risks by conservatively assuming that construction would occur over a 70 year period. It is unclear, however, how the operational emissions (including at least 54 pounds per day of VOC's) were incorporated into the HRA, if at all. Further clarification should be provided in the Final CEQA document regarding the impact of operational emissions on the potential health risk. If these operational emissions result in a significant health risk during operations (beyond the short term construction health risk described in the Draft EIR), they should be disclosed and mitigated to the maximum extent feasible.

Pursuant to Public Resources Code Section 21092.5, please provide the AQMD with written responses to all comments contained herein prior to the adoption of the Final Environmental Impact Report. Please contact Gordon Mize, Air Quality Specialist – CEQA Section, at (909) 396-3302, if you have any questions regarding these comments.

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Sincerely,

Ian MacMillan

Program Supervisor, Inter-Governmental Review Planning, Rule Development & Area Sources

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