SENT VIA E-MAIL: May 16, 2024

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## Mitigated Negative Declaration for the Rancho Santa Margarita Recycled Water System Project (Proposed Project)

South Coast Air Quality Management District (South Coast AQMD) staff appreciate the opportunity to review the above-mentioned document. The City of Cypress is the California Environmental Quality Act (CEQA) Lead Agency for the Proposed Project. To provide context, South Coast AQMD staff has provided a brief summary of the project information and prepared the following comments which are organized by topic of concern.

## South Coast AQMD Staff's Summary of Project Information in the MND

Based on the MND, the Proposed Project consists of installing 95,000 linear feet (18 miles) of 8-inch through 18-inch diameter pipes in four or five phases, constructing a new aboveground reservoir tank to store recycled water, and adding two new pump stations. The construction of the Proposed Project would commence in January 2025 and would last through January 2026. The Proposed Project is located on the east of Interstate 5 and is bisected by State Route 241 in the city of Rancho Santa Margarita and the unincorporated areas of Coto de Caza and Las Flores, within southeastern Orange County. One small component is in the city of Mission Viejo.

## South Coast AQMD Staff's Comments

South Coast AQMD Air Permits and Role as a Responsible Agency

If implementation of the Proposed Project would require the use of new stationary and portable sources, including but not limited to new pump stations, construction of new reservoir tanks for recycled water storage, pipe installations, etc., air permits from South Coast AQMD will be required. The final CEQA document, whether a MND or EIR, should include a discussion about the potentially applicable rules that the Proposed Project needs to comply with. Those rules may include, for example, Rule 201 – Permit to Construct, Rule 203 – Permit to Operate, Rule 401 – Visible Emissions, Rule 402 – Nuisance, Rule 403 – Fugitive Dust, Rule 1110.2 – Emissions

<sup>&</sup>lt;sup>1</sup> South Coast AQMD. Rule 201 available at <a href="https://www.aqmd.gov/docs/default-source/rule-book/reg-ii/rule-201.pdf">https://www.aqmd.gov/docs/default-source/rule-book/reg-ii/rule-201.pdf</a>

<sup>&</sup>lt;sup>2</sup> South Coast AQMD. Rule 203 available at <a href="https://www.aqmd.gov/docs/default-source/rule-book/reg-ii/rule-203.pdf">https://www.aqmd.gov/docs/default-source/rule-book/reg-ii/rule-203.pdf</a>

<sup>&</sup>lt;sup>3</sup> South Coast AQMD. Rule 401 available at <a href="https://www.aqmd.gov/docs/default-source/rule-book/rule-iv/rule-401.pdf">https://www.aqmd.gov/docs/default-source/rule-book/rule-iv/rule-401.pdf</a>

from Gaseous and Liquid Fueled Engines,<sup>6</sup> Rule 1113 – Architectural Coating,<sup>7</sup> Rule 1166 – VOC Contaminated Soil Excavation, <sup>8</sup> Rule 1179 – Publicly Owned Treatment Works Operation,<sup>9</sup> Regulation XIII – New Source Review,<sup>10</sup> Rule 1401 – Air Toxics,<sup>11</sup> Rule 1466 – Control of Particulate Emissions from Soils with Toxic Air Contaminants, <sup>12</sup> Rule 1470 – Requirements for Stationary Diesel Fueled Internal Combustion and Other Compression Ignition Engines,<sup>13</sup> etc. It is important to note that when air permits from South Coast AQMD are required, the role of South Coast AQMD would change from a Commenting Agency to a Responsible Agency under CEQA. In addition, if South Coast AQMD is identified as a Responsible Agency, per CEQA Guidelines Sections 15086, the Lead Agency is required to consult with South Coast AQMD.

CEQA Guidelines Section 15096 sets forth specific procedures for a Responsible Agency, including making a decision on the adequacy of the CEQA document for use as part of the process for conducting a review of the Proposed Project and issuing discretionary approvals. Moreover, it is important to note that if a Responsible Agency determines that a CEQA document is not adequate to rely upon for its discretionary approvals, the Responsible Agency must take further actions listed in CEQA Guideline Section 15096(e), which could have the effect of delaying the implementation of the Proposed Project. In its role as CEQA Responsible Agency, the South Coast AQMD is obligated to ensure that the CEQA document prepared for this Proposed Project contains a sufficient project description and analysis to be relied upon in order to issue any discretionary approvals that may be needed for air permits. South Coast AQMD is concerned that the project description and analysis in its current form in the MND is inadequate to be relied upon for this purpose.

For these reasons, the final CEQA document should be revised to include a discussion about any and all new stationary and portable equipment requiring South Coast AQMD air permits, provide the evaluation of their air quality and greenhouse gas impacts, and identify South Coast AQMD as a Responsible Agency for the Proposed Project as this information will be relied upon as the basis for the permit conditions and emission limits for the air permit(s). Please contact South Coast AQMD's Engineering and Permitting staff at (909) 396-3385 for questions regarding what

<sup>&</sup>lt;sup>4</sup> South Coast AQMD. Rule 402 available at <a href="https://www.aqmd.gov/docs/default-source/rule-book/rule-iv/rule-402.pdf">https://www.aqmd.gov/docs/default-source/rule-book/rule-iv/rule-402.pdf</a>

<sup>&</sup>lt;sup>5</sup> South Coast AQMD. Rule 403 available at <a href="https://www.aqmd.gov/docs/default-source/rule-book/rule-iv/rule-403">https://www.aqmd.gov/docs/default-source/rule-book/rule-iv/rule-403</a>

<sup>&</sup>lt;sup>6</sup> South Coast AQMD. Rule 1110.2 available at <a href="https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/r1110\_2.pdf">https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/r1110\_2.pdf</a>

<sup>&</sup>lt;sup>7</sup>South Coast AQMD. Rule 1113 available at <a href="https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/r1113.pdf">https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/r1113.pdf</a>
<sup>8</sup> South Coast AQMD. Rule 1166 available at <a href="https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/rule-1166.pdf">https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/rule-1166.pdf</a>
<sup>1</sup>166.pdf

<sup>&</sup>lt;sup>9</sup> South Coast AQMD. Rule 1179 available at <a href="https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/rule-1179.pdf">https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/rule-1179.pdf</a>

<sup>&</sup>lt;sup>10</sup> South Coast AQMD. Regulation XIII available at <a href="https://www.aqmd.gov/home/rules-compliance/rules/scaqmd-rule-book/regulation-xiii">https://www.aqmd.gov/home/rules-compliance/rules/scaqmd-rule-book/regulation-xiii</a>

<sup>&</sup>lt;sup>11</sup> South Coast AQMD. Rule 1401 available at <a href="https://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1401.pdf">https://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1401.pdf</a>

<sup>&</sup>lt;sup>12</sup> South Coast AQMD. Rule 1466 available <a href="https://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1466.pdf">https://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1466.pdf</a>

<sup>&</sup>lt;sup>13</sup> South Coast AQMD. Rule 1470 available at <a href="https://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1470.pdf">https://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1470.pdf</a>

types of equipment would require air permits. For more general information on permits, please visit South Coast AQMD's webpage at <a href="https://www.aqmd.gov/home/permits">https://www.aqmd.gov/home/permits</a>.

## Conclusion

The Lead Agency is recommended to revise the CEQA analysis to address the aforementioned comments and provide the necessary evidence to sufficiently support the conclusions reached. If the requested information and analysis are not included in the final CEQA document, either the Final MND or other type of CEQA document, the Lead Agency should provide reasons for not doing so. Pursuant to California Public Resources Code Section 21092.5(b) and 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 and notify each public agency when any public hearings are scheduled. Please provide South Coast AQMD with written responses to all comments contained herein prior to the adoption of the Final MND. When responding to issues raised in the comments, detailed reasons supported by substantial evidence in the record to explain why specific comments and suggestions are not accepted must be provided. In addition, if the Lead Agency decides to adopt the Final MND, please provide South Coast AQMD with notice of any scheduled public hearing(s).

Thank you for the opportunity to provide comments. 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 Sahar Ghadimi, Air Quality Specialist, at sghadimi@aqmd.gov should you have any questions.

Sincerely,

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