

May 22, 2014

Nathan Bouvet, Planner III
City of Fresno
Development and Resource Management
2600 Fresno Street, Third Floor
Fresno, CA 93721-3604

**Project: Site Plan Review Application No. S-13-047 – Brenntag Pacific, Inc.
Chemical Warehouse by McCall Pacific, LLC**

District CEQA Reference No: 20130799

Dear Mr. Bouvet:

The San Joaquin Valley Unified Air Pollution Control District (District) reviewed the project referral for the proposed chemical warehouse and sales office to be located at 175 N. Hughes Avenue, Fresno (APN 458-020-70) and provided comments to the City on September 27, 2013. District staff **met with the applicant's consultant and** participated in a conference call with the applicant on April 21, 2014, to discuss the **District's comments** regarding what is needed to assess potential impacts on air quality and applicability to District rules and regulations. Below is a summary of **the District's** previous comments and the discussion with the applicant regarding what is required to move forward with the project.

- 1) **Summary of Prior Comments 1-3:** The District commented that the CEQA referral did not provide sufficient information to allow the District to assess the **project's potential impact on air quality**. The District recommended that a more detailed preliminary review of the project be provided and that the review should quantify criteria pollutant emissions, evaluate nuisance odors, and evaluate potential health risks. The District offered recommendations for discussions to be included in the environmental document being prepared by the City of Fresno.

Discussion with Applicant: The District is a Responsible Agency for this project. As a Responsible Agency the District complies with CEQA by considering the environmental document prepared by the Lead Agency, and by reaching its own conclusion on whether and how to approve the project involved (CEQA Guidelines §15096). The District has permitting authority over stationary sources only. As

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such, the District recommends that the environmental review evaluate impacts from permitted stationary sources separately from mobile and other non-permitted sources.

Stationary Source Criteria Pollutants: The project is subject to District permitting requirements; therefore, the District concludes that, through project design elements and compliance with District rules and regulations, project related stationary source criteria pollutant emissions would have a less than significant impact on air quality.

Mobile and Other Non-Permitted Source Criteria Pollutants: Without an emissions analysis quantifying criteria pollutant emissions from mobile and other non-permitted sources, the District does not have sufficient information to determine potential impacts from mobile and non-permitted sources. The District recommends that the project's consultant quantify the emissions from project related mobile and other non-permitted sources. If the emissions from these sources would not exceed the District's thresholds of significance of 10 tons/year ROG, 10 tons/year NOx, or 15 tons/year PM10, then project related criteria pollutant emissions from mobile and non-permitted sources would be expected to have a less than significant impact on air quality.

Health Risks from Stationary Source TAC Emissions: Toxic Air Contaminants (TACs) are defined as air pollutants which may cause or contribute to an increase in mortality or serious illness, or which may pose a hazard to human health. This project is subject to District permitting requirements; therefore, the District concludes that, through project design elements and compliance with District rules and regulations, project related stationary source TAC emissions would have a less than significant health risk impact on nearby receptors.

Health Risks from Mobile and Other Non-Permitted Source TAC Emissions: Diesel emissions are a source of TAC that are known to the State of California to have a potential health impact on nearby receptors. Without a preliminary assessment or more detailed information regarding diesel truck and locomotive traffic to the project site, the District does not have sufficient information to determine potential health risk impacts from project related diesel emissions.

The District's thresholds of significance for exposure to TACs are:

- Probability of contracting cancer for the Maximally Exposed Individual (MEI) exceeds 10 in one million.
- Ground-level concentrations of non-carcinogenic TACs would result in a Hazard Index greater than 1 for the MEI.

The District recommends that the project's consultant prepare a prioritization screening to determine whether a health risk analysis (HRA) should be prepared. A prioritization is a screening tool used to identify projects or facilities that may have significant health impacts. If the prioritization has a score of less than 1.0, then the project would be considered to have a less than significant health risk and an HRA would not be required. However, if the facility has a prioritization score of 1.0 or more, the facility has the potential to exceed the District's significance threshold for health impacts of 10 in one million and an HRA would be required to determine the project's potential health impacts.

- 2) **Summary of Prior Comments 4-6:** The District commented that the project may be subject to District Rule 9510 (Indirect Source Review), may be subject to District permitting requirements, and would be subject to additional rules and regulations.

Discussion with Applicant: In general, if a project is subject to District permitting requirements, the project is not subject to District Rule 9510. The project referral submitted to the District did not contain enough information to enable the District to make a determination as to the applicability of District permitting requirements or Indirect Source Review. Upon further discussion with the applicant and consultant, the District finds the following:

District Permits: Pursuant to District Rule 2010 (Permits Required) and Rule 2201 (New and Modified Stationary Source Review), the project is subject to District permitting requirements. Based on the discussion with the applicant, uncontrolled emissions are expected to exceed two (2) lb/day, and the proposed control devices would require District permits. As such, the District recommends that the City include a condition of project approval requiring the applicant to demonstrate that they have started the District's permitting process with the submittal of an Authority to Construct (ATC) application.

ISR Determination: The District has determined that the primary functions of this project are subject to District Rule 2201 or District Rule 2010. Pursuant to Section 4.4.3 of District Rule 9510, a development project on a facility whose primary functions are subject to District Rule 2201 or District Rule 2010 are exempt from the requirements of Rule 9510. Therefore, an Air Impact Assessment (AIA) application is not required.

District staff is available to meet with you and/or the applicant to further discuss the regulatory requirements that are associated with this project. If you have any questions or require further information, please contact Jessica Willis by phone at (559) 230-5818, or by e-mail at jessica.willis@valleyair.org.

Sincerely,

Arnaud Marjollet
Director of Permit Services

A handwritten signature in blue ink that reads "Jessica R. Willis". The signature is written in a cursive style with a large initial 'J'.

For: Chay Thao
Program Manager

AM:jw

cc: Dave Mitchell, First Carbon Solutions