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November 4, 2022

Maira Blanco, Planner
City of San Jose, PBCE
200 E. Santa Clara Street Tower
3rd Floor, PBCE
San Jose, CA 95113

RE: Graniterock Capitol Site Modernization Plan Draft Environmental Impact Report (DEIR)

Dear Maira Blanco,

Bay Area Air Quality Management District (Air District) staff has reviewed the Draft Environmental Impact Report (DEIR) for the Graniterock Capitol Site Modernization Plan (Project). The proposed Project includes the expansion of the existing concrete plant, aggregate and other construction materials distribution facility, and recycle yard operations. The proposed Project also includes the addition of an asphalt plant and cementitious distribution facility. Further, the equipment storage and maintenance yard would be removed, and the existing rail spur would be extended to accommodate roughly 55 railcars with an increase in unloading capacity to 2,000 tons per hour.

Greenhouse Gases

The Air District is concerned with the Project's significant greenhouse gas (GHG) emissions and proposed mitigation measures to reduce the GHG impact. The Air District recommends that the City of San José (City) require the Project to include more onsite GHG reductions in the Project design to minimize the need for the purchase of carbon offsets. The DEIR specifies that the purchase of carbon offsets should prioritize offset projects occurring in Santa Clara County followed by the Bay Area, California, and the U.S. The DEIR also specifies that only projects from California Air Resources Board (CARB) -approved registries may be selected. Currently only three CARB-approved projects are available in the Bay Area – two in Sonoma County and one in Napa County. The lack of available offset projects in or near Santa Clara County increases the importance of maximizing on-site mitigations.

The DEIR includes Mitigation Measure GHG-1: Develop and Implement a GHG Reduction Plan, which includes a list of potential measures that could be included in a yet-to-be-developed GHG Reduction Plan for the Project. The GHG Reduction Plan should be reviewed and approved by the City before building permits are issued. The Air District recommends that all additional on-site emission reduction

measures be specific, effective, required, and actionable, clearly identify the party(ies) responsible for implementation and be included as design or programmatic elements of the Project, rather than as potential future measures, to avoid deferred mitigation. In addition to the carbon credits measures mentioned previously, additional measures include:

- Off-road equipment such as front loaders, sweepers, trucks, or other equipment should be zero-emission, as available; the City should require commitments to zero-emission equipment in applicable bid documents, purchase orders, and contracts; successful contractors should demonstrate the ability to supply the compliant construction and operational equipment for use prior to any ground disturbing, construction and operational activities.
- At minimum, off-road diesel equipment should meet Tier 4 emissions standards.
- Similarly, emissions from backup diesel generators should be further mitigated as much as possible including adoption of natural gas-fueled equipment and/or zero-emissions technologies. At a minimum, require Tier 4 diesel generators.
- Medium and heavy-duty diesel on-road vehicles should be equipped with newer engine models, no more than eight years old, or powered by zero or near zero-emissions technology, as certified by the California Air Resources Board, as feasible.
- Provide electrical hook-ups to the power grid, rather than using diesel-fueled generators, for electric construction tools, such as saws, drills, and compressors, and using electric tools as feasible.
- Install electric vehicle (EV) supply equipment and/or 'EV Ready Spaces' to service light, medium and heavy-duty vehicles and on-site solar power systems or other zero-emission electric generating systems that provide electricity to power on-site equipment. At minimum, the Project Sponsor should comply with the City's [Reach Code](#)¹ for building electrification, energy efficiency, solar and EV readiness.
- Commit to use carbon-free electricity provided by San José Clean Energy.

This will help the Project align with the Climate Smart San José Plan to be carbon neutral by 2030.

The Air District has invested in several efforts to promote the production and use of low-carbon cement, concrete and similar products. There are technologies that use recycled materials for aggregate and mineralization processes to create carbon-negative aggregate. Using recycled inputs in production can dramatically reduce energy needs and potentially sequester carbon. The Air District recommends that these technologies be considered as additional on-site Project mitigation measures.

¹ City of San José, *Ordinance No. 30311*, October 1, 2019.
<https://www.sanjoseca.gov/home/showpublisheddocument/44078/637082139871830000>

Air Quality

The Air District is the primary agency responsible for assuring that the National and California Ambient Air Quality Standards (NAAQS and CAAQS, respectively) are attained and maintained in the San Francisco Bay Area. In addition to its roles as either Lead Agency or Responsible Agency in California Environmental Quality Act proceedings, the Air District also administers an air quality permitting program for stationary equipment to ensure all air quality requirements are met.

The Project Sponsor should submit an Air District permit application in parallel to the City's permit. The Air District will conduct a detailed engineering review of the stationary source emissions and perform a health risk assessment based on the Project's proposed operational parameters.

Several components of the DEIR's emissions analysis would be augmented by including additional details. These are referenced below with recommendations:

- **Project Description (page 3):** Many of the Project's potential air quality impacts are related to truck and railcar trip increases but are not adequately quantified. The DEIR should quantify the maximum number of annual and daily truck and railcar trip increases as a result of the Project and describe these in the Project Description.
- **Abatement and Mitigations (page 7):** The Project proposes to "fully enclose" the new asphalt operation, aggregate distribution facility, cementitious distribution facility and concrete plant. The DEIR does not adequately define "fully enclose". Additionally, air abatement devices are only discussed for the cementitious distribution facility. The Air District recommends the DEIR describe the specific design details of enclosures and abatement devices, identify air abatement devices for each facility and include Project drawings and depictions that illustrate these proposals.

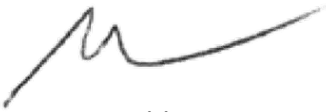
Community Engagement

Air Quality impacts and concerns were identified by community members during the Notice of Preparation scoping process. The DEIR identifies several sensitive receptors within 1,000 feet of the Project location. Although the air quality impacts are less than significant, the Air District recommends continued engagement with the community to identify and mitigate concerns.

Certain Project equipment may require an air quality permit (Authority to Construct/Permit to Operate) from the Air District. Please contact Barry Young, Senior Advanced Projects Advisor, at (415) 749-4721 or byoung@baaqmd.gov to discuss permit requirements.

Additionally, Air District Planning staff is available to assist the City in addressing these comments. If you have any questions or would like to discuss Air District recommendations further, please contact Mark Tang, Principal Environmental Planner, at (415) 749-4779 or mtang@baaqmd.gov.

Sincerely,



Greg Nudd
Deputy Air Pollution Control Officer – Policy

Cc: BAAQMD Director Margaret Abe-Koga
BAAQMD Director Otto Lee
BAAQMD Director Sergio Lopez
BAAQMD Director Rob Rennie