



**San Joaquin Valley Unified
Air Pollution Control District**

**Installation of Gravure Press and RTO
By G3 Enterprises**

Project Number N-1121433

Stanislaus County

**Initial Study and Draft
Mitigated Negative Declaration**

September 2012

**SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT
GOVERNING BOARD 2012**

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INITIAL STUDY AND DRAFT MITIGATED NEGATIVE DECLARATION

G3 Enterprises Label Division Printing Press

Project Number C-1121371

September 2012

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A. Introduction

G3 Enterprises has a printing operation facility located in Ceres, Stanislaus County, California. This facility has historically been referred to by the applicant as the Modesto facility, and will be referred to as such in this document. G3 Enterprises is a major source as defined in Section 3.23 of District Rule 2201 (New and Modified Stationary Source Review Rule). Therefore, the installation and operation of stationary source equipment for this project is subject to District permit requirements. One major requirement is that new and modified equipment that has air contaminant emissions must satisfy the requirements of New Source Review (NSR). The main requirements of NSR are to require the installation of Best Available Control Technology (BACT) to minimize emission increases from such equipment and to mitigate emission increases over certain thresholds by providing emission reductions either by limiting the use of existing equipment or by providing emission offsets.

The San Joaquin Valley Unified Air Pollution Control District (District) has received an Authority to Construct (ATC) application from G3 Enterprises Label Division to install a 6-color gravure press, natural gas fired ink drying oven, regenerative thermal oxidizer (RTO), and ink dispensing room as part of their existing printing operations at the Modesto facility.

B. Purpose and Authority

The District has discretionary approval power over the project via its Permits Required Rule (Rule 2010) and New and Modified Stationary Source Review Rule (Rule 2201). No other agency is known to have discretionary approval over the project. As such, the District is the public agency having principal responsibility for approving the Project and serves as Lead Agency (CCR §15367).

The California Environmental Quality Act (CEQA) requires each public agency to adopt objectives, criteria, and specific procedures consistent with CEQA Statutes and the CEQA Guidelines for administering its responsibilities under CEQA, including the orderly evaluation of projects and preparation of environmental documents. The District adopted its *Environmental Review Guidelines* (ERG) in 2001. The ERG was prepared to comply with this requirement and is an internal document used to comply with CEQA.

The basic purposes of CEQA are to:

- Inform governmental decision-makers and the public about the potential, significant environmental effects of proposed activities.
- Identify the ways that environmental damage can be avoided or significantly reduced.



- Prevent significant, avoidable damage to the environment by requiring changes in projects through use of alternatives or mitigation measures when the governmental agency finds the changes to be feasible.
- Disclose to the public the reasons why a governmental agency approved the project in the manner the agency chose if significant environmental effects are involved.

Under CEQA the Lead Agency is required to:

- Conduct preliminary reviews to determine if applications are subject to CEQA [CCR §15060].
- Conduct review to determine if projects are exempt from CEQA [CCR §15061].
- Prepare Initial Studies for projects that may have adverse environmental impacts [CCR §15063].
- Determine the significance of the environmental effects caused by the project [CCR §15064].
- Prepare Negative Declarations or Mitigated Negative Declarations for projects with no significant environmental impacts [CCR §15070].
- Prepare, or contract to prepare, EIRs for projects with significant environmental impacts [CCR §15081].
- Adopt reporting or monitoring programs for the changes made to projects or conditions of project approval, adopted in order to mitigate or avoid significant effects on the environment [PRC §21081.6 & CCR §15097].
- Comply with CEQA noticing and filing requirements.

C. Project Background Information

Project Description

G3 Enterprises, Label Division (Applicant) is proposing to install a 6-color gravure type printing press, a 2.5 MMBtu/hr natural gas fired ink drying oven, a 5 MMBtu/hr regenerative thermal oxidizer (RTO), and ink dispensing room (collectively referred to as Project) as part of the printing operations at the existing Modesto facility located in Ceres, Stanislaus County, California. The equipment is being relocated from a facility located in Ukiah, Mendocino County to the Modesto facility. The Ukiah facility which is located outside of the San Joaquin Valley Air Basin (SJVAB) is owned by the Applicant and will be permanently closed at the time the equipment is removed in October/November 2012.



Project Construction

The Project will be installed within the confines of the existing Modesto facility. Upon arrival at the facility, the press and drying oven will be installed inside an existing building and the RTO will be placed on a new concrete pad outside the building. A small enclosure will be erected inside the building around the press and oven to capture volatile organic compound (VOC) emissions emitted by those units. The enclosure will be built from a kit and bolted to the floor. Finally, the enclosure will be plumbed above ground to the RTO. Site preparation and construction of the enclosure is expected to be completed by December 2012.

Process Description

Once in operation, the substrate to be printed on will enter the press and travel sequentially through six (6) application stations where inks and coatings will be applied utilizing gravure type printing. From the press the material will enter the oven for drying. VOC emissions generated by the press and oven will be controlled at a rate of at least 98% using the RTO.

Project Location

The Project is located at 2612 Crows Landing Road, Modesto, Stanislaus County, which is in the SJVAB (see Figure 1). The facility was annexed into the City of Ceres in June 2012 and, although the project location has a Modesto address and utility services are contracted through the City of Modesto, the facility is under the jurisdiction of the City of Ceres. Figure 2 and 3 identify the project's location and surrounding areas. Table 1 below identifies the location in which the project will be located. This location is within the existing boundaries of G3 Enterprises' existing facility (see Figures 4).

Table 1: Location of Proposed Project

Section	Township	Range	Assessor's Parcel Number
16	4S	9E	086-015-020

General Plan Designation and Zoning

The location of the Project described above (Table 1) is currently designated in the 2009 City of Ceres General Plan as General Industrial and is currently zoned M-2 (General Industrial).



Surrounding Land Uses and Setting

The Project is located within the existing facility boundary of the Applicant's Modesto facility. Properties located to the north of the Project are within the jurisdiction of the City of Modesto and include commercial and industrial uses. Residential areas are located to the east and community services are located to the south of the Project site. To the west of the Project site are industrial, office and commercial uses.

Sinclear Elementary School, which is located east of the Project site, is the closest K-12 school to the Project. The District has verified that the Project site is not located within 1,000 feet of the outer boundary that school. Therefore, the public notification requirement of California Health and Safety Code 42301.6 is not applicable to the project.

Other Public Agencies Whose Approval Is Required

California Air Resources Board (CARB)

Pursuant to District Rule 2201, Section 3.18 the Project is classified as a Federal Major Modification. As such, the project must be submitted to the CARB for a 30-day comment period.

California Department of Fish and Game (CDFG)

The Project is located within the existing facility boundary of the Applicant's Modesto facility and the concrete pad will be constructed in a previously disturbed location. The Project will not result in the take of any identified species and an Incidental Take Permit would not be required.

California Department of Toxic Substances Control (DTSC)

The Applicant is currently designated as a Large Quantity Generator and must submit biennial hazardous waste reports to the DTSC. The Project will result in an increase in use, discharge, and transportation of hazardous material (ink and solvent) at the Modesto facility. However, the materials are consistent with current operations, and due to the closure of the Ukiah facility the Project will not result in an increase in the Applicant's overall use of these hazardous materials.

California Department of Transportation (Caltrans)

The Project will not encroach on public right-of-ways and encroachment permits are not required from Caltrans. The Project will result in a net decrease of vehicle traffic and, as such, no permits or mitigation fees are required by Caltrans.



California Regional Water Quality Control Board (RWQCB)

The Project will not result in a substantial increase of industrial wastewater or waste discharge and as such, will not require Individual Waste Discharge Requirements (WDRs) or other permits from the RWQCB.

City of Ceres Planning Department

The Project site is located within the existing facility boundary of the Applicant's Modesto facility located in the City of Ceres. The Project is consistent with current operations and is a permitted use under the current land use designations and zoning. As such, the City of Ceres requires only the issuance of building permits for the Project. All applicable building permits will be acquired prior to commencement of site work. Currently no other specific project-related items have been identified which will require further approval by the City of Ceres Planning Department.

US Environmental Protection Agency (US EPA)

Pursuant to District Rule 2201, Section 3.18 the Project is classified as a Federal Major Modification. As such, the project must be submitted to the US EPA for a 30-day comment period.

D. Decision to Prepare a Mitigated Negative Declaration

Consistent with CEQA requirements the District prepared an Initial Study that evaluated potential environmental effects of the project. The District has determined that with mitigation the project will have a less than significant impact on the environment. The District concludes that a Mitigated Negative Declaration would be appropriate for the project. Project design elements and mitigation measures that reduce the project's impact on the environment would be enforced through:

- District permit conditions and offset fees; and
- Shut down of the Ukiah facility.



Figure 1. Regional Location within the SJVAB

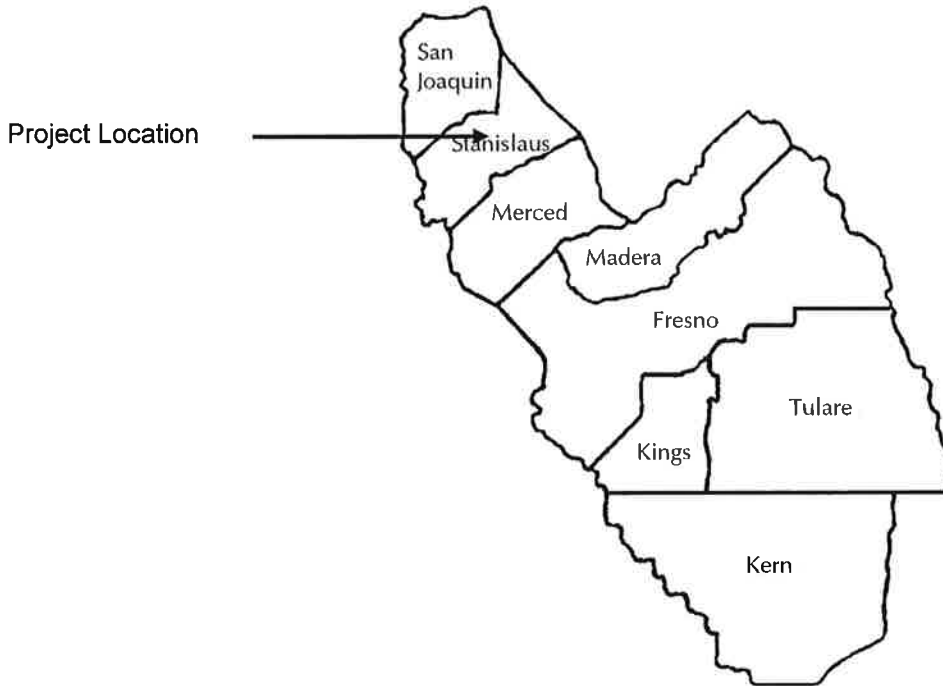


Figure 2. Vicinity Map – Stanislaus LAFCo

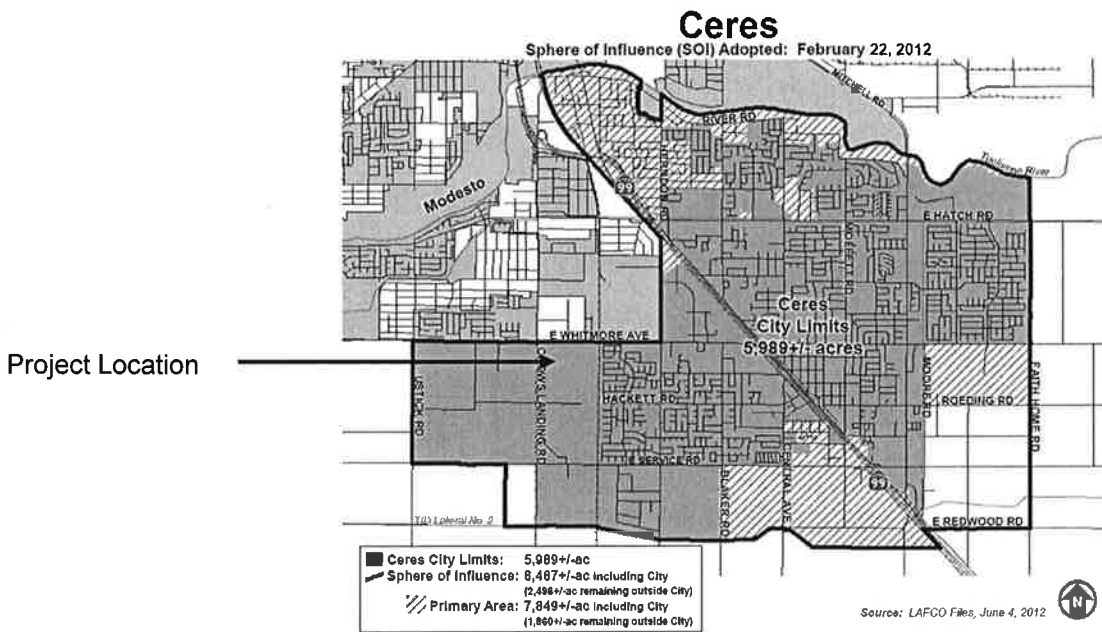
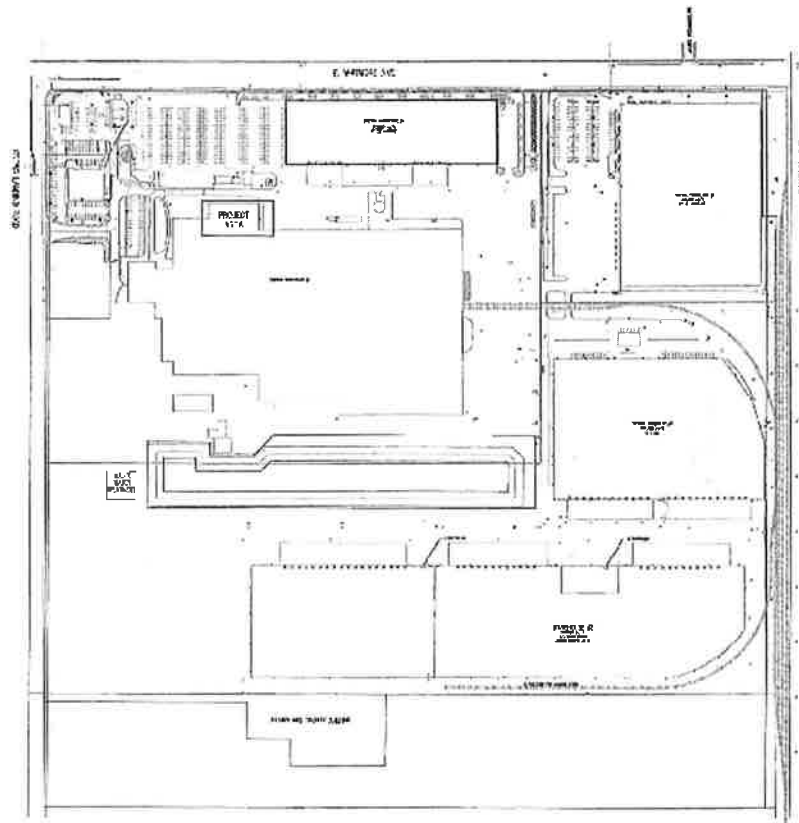




Figure 3. Surrounding Land Uses



Figure 4. Facility Site





E. Environmental Factors Potentially Affected

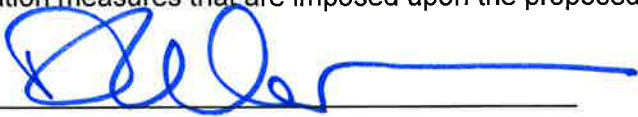
The environmental factors checked below would be potentially affected by the proposed Project, involving at least one impact that is a "Potentially Significant Impact" or "Potentially Significant Unless Mitigated", as indicated by the checklist on the following pages.

- | | | |
|---|---|---|
| <input type="checkbox"/> Aesthetics | <input type="checkbox"/> Agriculture and Forestry Resources | <input checked="" type="checkbox"/> Air Quality |
| <input type="checkbox"/> Biological Resources | <input type="checkbox"/> Cultural Resources | <input type="checkbox"/> Geology / Soils |
| <input type="checkbox"/> Greenhouse Gas Emissions | <input type="checkbox"/> Hazards & Hazardous Materials | <input type="checkbox"/> Hydrology / Water Quality |
| <input type="checkbox"/> Land Use / Planning | <input type="checkbox"/> Mineral Resources | <input type="checkbox"/> Noise |
| <input type="checkbox"/> Population / Housing | <input type="checkbox"/> Public Services | <input type="checkbox"/> Recreation |
| <input type="checkbox"/> Transportation / Traffic | <input type="checkbox"/> Utilities / Service Systems | <input type="checkbox"/> Mandatory Findings of Significance |

F. Determination

I certify that the Project was independently reviewed and analyzed and that this document reflects the independent judgment of the District.

- I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
- I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION has been prepared.
- I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
- I find that the proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
- I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Signature: 

Date: _____

Printed name: David Warner

Title: Director of Permit Services



G. Environmental Impact Checklist

I. Aesthetics Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Have a substantial adverse effect on a scenic vista?				X
b) Substantially damage scenic resources, including, but not limited to trees, rock, outcroppings, and historic buildings within a state scenic highway?				X
c) Substantially degrade the existing visual character or quality of the site and its surroundings?				X
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?				X

I. AESTHETICS

Scenic Vistas and Visual Character (a-d)

Conclusion: The Project will not have an impact on scenic vistas, damage scenic resources, degrade visual character in and around the sites or create new sources of light or glare.

Discussion: The Project is located within the existing boundaries of the Applicant's Modesto facility. The facility has been used for label printing since February 2003. The project consists of the installation of a printing press, drying oven, and enclosure for capturing VOC emissions within an existing building and installation of an RTO unit on a concrete pad outside the building. The Project is consistent with current printing operations and surrounding land uses.

No scenic vistas or highways exist on the Project site or on the properties adjacent to the Project site. No scenic resources such as rock outcroppings, trees, or historic buildings exist on the Project site. The absence of scenic vistas and other scenic resources on or near the Project site precludes the possibility of potential adverse impacts.

The Project is located immediately south of the City of Modesto, within the City of Ceres city limits. Existing lighted industrial, commercial, and residential uses located adjacent to the Project site. Ground preparation activities will be conducted during daylight hours only and only minimal operational lighting may be installed if needed and would be consistent with the existing operations.



Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that construction and operation of the Project would have a detrimental impact on aesthetics.

Mitigation: None required.

References

California Department of Transportation. *Officially Designated State Scenic Highways*.
 Website: www.dot.ca.gov/hq/LandArch/scenic/shwy.htm

Sylvester, Steve, Senior Manager – Environmental Health and Safety. G3 Enterprises.
 Electronic and Telephone Communication.

II. Agricultural Resources	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
<p>In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1197) prepared by the California Department of Conservation as an optional model to use in assessing impacts on agricultural and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resource Board.</p>				
<p>Would the Project</p>				
<p>a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?</p>				X
<p>b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?</p>				X
<p>c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220 (g)), timberland (as defined by Public Resource Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104 (g))?</p>				X
<p>d) Result in the loss of forest land or conversion of forest land to non-forest use?</p>				X



II. Agricultural Resources (continued) Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?				X

II. AGRICULTURAL RESOURCES

Farm and Forest Lands (a-e)

Conclusion: The Project will not conflict with existing zoning and will not have an impact on agriculture and forest lands.

Discussion: The Project is located within the existing boundaries of the Applicant's Modesto facility. The facility has been used for label printing since February 2003. The project consists of the installation of a printing press, drying oven, and enclosure for capturing VOC emissions within an existing building and installation of an RTO unit on a concrete pad outside the building. The Project site is not under Williamson Act contract and is not designated as Prime Farmland, Unique Farmland, or of Statewide Importance. No forest lands are located on the Project site. The Project is consistent with current printing operations and will not convert farm or forest lands to non-farm or non-forest uses. Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that construction and operation of the Project would have an impact on farm or forest lands.

Mitigation: None required.

References

California Department of Conservation. *Farmland Mapping & Monitoring Program*. Website: <http://www.conservation.ca.gov/dlrp/fmmp/Pages/Index.aspx>.

City of Ceres. *2009 General Plan*. Website: <http://www.ci.ceres.ca.us/40631.html>.

Sylvester, Steve, Senior Manager – Environmental Health and Safety. G3 Enterprises. Electronic and Telephone Communication.



III. Air Quality	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
Would the Project: Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations.				
a) Conflict with or obstruct implementation of the applicable air quality plan?		X		
b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?		X		
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the Project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?		X		
d) Expose sensitive receptors to substantial pollutant concentrations?			X	
e) Create objectionable odors affecting a substantial number of people?			X	

III. AIR QUALITY

Air Quality Plans and Standards (a, b, c)

Conclusion: The Project, with the incorporation of mitigation measures, will have a less than significant impact on air quality.

Discussion: The District is tasked with implementing programs and regulations by the Federal Clean Air Act and the California Clean Air Act and has prepared plans to attain federal and state Ambient Air Quality Standards (AAQS). The District has established thresholds of significance for criteria pollutant emissions, which are based on federal and District New Source Review (NSR) offset requirements for stationary sources.

Stationary sources in the District are subject to some of the toughest regulatory requirements in the nation. Emission reductions achieved through implementation of federal offset requirements are a major component of the District's air quality plans. Thus, projects with emissions below the thresholds of significance for criteria pollutants would be determined not to conflict or obstruct implementation of the District's air quality plans.

Emissions from operational non-permitted equipment and activities are evaluated separate from permitted equipment and activities. A project would be determined to have a significant long-term impact on air quality if the emissions sum for any criteria



pollutant exceeds its respective threshold of significance. The District's thresholds of significance for criteria pollutant emissions and their application are presented below in Table 2.

Table 2: District Thresholds of Significance for Criteria Pollutants

Pollutant	Construction Emission Threshold (tpy)	Permitted Operational Emission Threshold (tpy)	Non-Permitted Operational Emission Threshold (tpy)
CO	100	100	100
NOx	10	10	10
ROG	10	10	10
SOx	27	27	27
PM ₁₀	15	15	15
PM _{2.5}	15	15	15

Project Details

The Project includes the installation a 6-color gravure type printing press, a 2.5 MMBtu/hr natural gas fired ink drying oven, a 5 MMBtu/hr regenerative RTO, and ink dispensing room as part of the printing operations at the existing Modesto facility. The equipment is being relocated from a facility located in Ukiah, Mendocino County, which will be permanently closed at the time the equipment is removed in October/November 2012. The Project will be installed within the confines of the existing Modesto facility. Upon arrival at the facility, the press and drying oven will be installed inside an existing building and the RTO will be placed on a new concrete pad outside of the building. A small enclosure will be erected inside the building around the press and oven to capture VOC emissions emitted by those units. The enclosure will be built from a kit and bolted to the floor. Finally, the enclosure will be plumbed to the RTO. Site preparation and construction of the enclosure is expected to be completed by December 2012.

Construction Emissions

Construction of the Project is expected to begin in October 2012 and be completed by December 2012. The Project includes relocation of a 6-color gravure type printing press, a 2.5 MMBtu/hr natural gas fired ink drying oven, a 5 MMBtu/hr regenerative RTO, and ink dispensing room from the Ukiah facility to the Modesto facility. The printing press, drying oven, and enclosure for capturing VOC emission will be installed inside an existing building and the RTO will be placed on a new concrete pad outside the building. The VOC emission enclosure will be plumbed above ground to the RTO. Minimal site preparation is needed to accommodate the installation of the equipment at the Modesto facility. Construction activities include the removal and transport of the



equipment from the Ukiah facility, use of a backhoe for site preparation, a cement truck for laying the concrete pad, and a scissor lift for installation of equipment at the Modesto facility. These activities are short-term and are considered too small to affect overall Project related environmental impacts. As such, a quantitative analysis of short-term construction related GHG emissions is not included in this assessment.

Operational Emissions

Employees: Existing personnel will man and maintain the Project. Therefore, no increase in employee related mobile source emissions is expected. As such, a quantitative analysis of employee related criteria pollutant emissions is not included in this assessment.

Truck Trips: The Project will not result in an increase in overall production at the Modesto facility. Currently, the Applicant currently makes two (2) round trip shipments between the Ukiah and Modesto facilities per day. Unprocessed labeling materials are hauled to the Ukiah facility, approximately 205 miles away, for processing into labels. The finished labels are then transported back to the Modesto facility where they are used in the packaging of products on-site before being shipped to market. The Project, will allow the Applicant to process labels on-site concurrent with packaging operations. Because the Project eliminates the need for shipment of unprocessed labeling materials to the Ukiah plant for processing, the Project is expected to result in a reduction in heavy duty truck trips and total vehicle miles travelled (VMT) within the SJVAB. However, for the purposes of this assessment, the District assumes that VMT trips would remain status quo since packaged end product will reach the same destination (market) as currently operating. As such, a quantitative analysis of trucking related criteria pollutant emissions is not included in this assessment.

Stationary Source Emissions: The Project consists of the installation and operation of a 6-color gravure type printing press, a 2.5 MMBtu/hr natural gas fired ink drying oven, a 5 MMBtu/hr regenerative RTO, and ink dispensing room. This equipment is capable of generating NO_x, CO, VOC, PM₁₀ and SO_x emissions. The District has conducted an Engineering Evaluation (EE) for the Project, incorporated herein by reference, which identifies project related operational emissions. As indicated in Table 3, Project related annual emissions are: 17.09 tpy VOC, 3.29 tpy NO_x, and 0.25 tpy PM₁₀.

The Applicant is a major stationary source and, therefore, is required to offset project related increases in stationary source emissions for any criteria pollutant exceeding the District's thresholds of significance. These offset are provided in the form of emission reduction credits (ERCs). Project related stationary source VOC offset requirements were calculated at an offset ratio of 1.5:1 based on available ERCs. As indicated in Table 3 the Applicant will be required to surrender ERCs to offset operational emissions by an estimated 25.64 tons of VOC. Therefore, the District concludes that through a combination of project design features and permit conditions, project related operational emissions will have a less than significant impact on air quality.



Table 3 – Project Permitted Operational Emissions

	VOC (tons/year)	NOx (tons/year)	PM10 (tons/year)
Project Stationary Source Emissions	17.09	3.29	0.25
Significance Thresholds	10.00	10.00	15.00
Exceeds Significance Thresholds	Yes	No	No
Offsets Required	17.09 ^a	0.00	0.00
Offsets Surrendered (ERCs) ^c	25.64 ^b	0.00	0.00
<p>a Facility emissions exceed offset thresholds prior to Project implementation, therefore, emissions must be fully offset.</p> <p>b Offset requirements for this project were calculated at a ratio of 1.5 to 1.</p>			

Air Quality Plans

As discussed above, Project related construction emissions are too small to affect overall Project related environmental impacts. As summarized in Table 3, operational stationary source emissions will be mitigated to below the District's thresholds by surrendering ERCs. The ERCs must be surrendered to the District prior to the commencement of operation of the equipment proposed under the ATC. As such, the project does not conflict with the implementation strategy of the San Joaquin Valley Regional Air Quality Management Plans (2008 PM 2.5 Plan; 2007 8-Hour Ozone Plan; 2007 PM10 Maintenance Plan; 2006 PM10 SIP; 2004 1-Hour Ozone SIP; 2003 PM10 SIP). Therefore, no further mitigation measures are required.

Air Quality Standards

Determination of whether project emissions would violate any AAQS is largely a function of air quality dispersion modeling. If project emissions would not exceed state and federal AAQS at the project's property boundaries, the project would be considered to not violate any air quality standard or contribute substantially to an existing or projected air quality violation.

The District performed an emissions modeling analysis to determine whether project related criteria pollutant emissions have the potential to contribute to the possible violation of existing air quality standards. The analysis indicates that criteria pollutant emissions would not exceed any federal or state AAQS. Therefore, criteria pollutant emissions would not contribute substantially to an existing or projected air quality violation.



Cumulative Impacts

By its very nature, air pollution is largely a cumulative impact. The nonattainment status of regional pollutants is a result of past and present development. Future attainment of state and federal AAQS is a function of successful implementation of the District's attainment plans. Consequently, the District's application of thresholds of significance for criteria pollutants is relevant to the determination of whether a project's individual emissions would have a cumulatively significant impact on air quality. If a project's emissions is less than the thresholds of significance for criteria pollutants the project would not be expected to result in a cumulatively considerable net increase of any criteria pollutant for which the District is in non-attainment under the applicable federal or state AAQS. As discussed above, with the surrendering of ERCs, Project emissions will be mitigated to below the District's thresholds of significance for criteria pollutant emissions. Therefore, project related emissions would have a less than significant impact on air quality.

Mitigation: See below.

- ❖ **AIR-1** – Applicant will surrender ERCs sufficient to offset operational VOC emissions as required by District NSR requirements. The following condition will be included in the Authority to Construct (ATC):

Prior to operating under this Authority to Construct, the following quantities of VOC shall be mitigated: 1st quarter: 8,545 pounds, second quarter: 8,545 pounds, 3rd quarter: 8,545 pounds and 4th quarter: 8,545 pounds. The offsets shall be provided at the ratio specified in Table 4-2 of District Rule 2201 (as amended on 4/21/2011). [District Rule 2201] N

Health Risk Impacts (d)

Conclusion: The Project would not expose sensitive receptors to substantial pollutant concentrations.

Discussion: Under the Clean Air Act, toxic air contaminants (TACs) are airborne pollutants that may be expected to result in an increase in mortality or serious illness or which may pose a present or potential hazard to human health. Potential health impacts from TACs include long-term health effects such as cancer, birth defects, neurological damage, or genetic damage; or short-term effects such as eye watering, respiratory irritation, throat pain and headaches. TACs may also be referred to as hazardous air pollutants (HAPs). There are currently more than 900 substances classified by the US EPA and California Air Resources Board (ARB) as TACs. Air Quality problems occur when sources of TACs and sensitive receptors are located in proximity to one another.



TACs can be separated into carcinogens and non-carcinogens based on the nature of the physiological degradation associated with exposure to the pollutant. For regulatory purposes, carcinogens are assumed to have no safe threshold below which health impacts would not occur. Cancer risk is expressed as excess cancer cases per one million exposed individuals.

Non-carcinogens differ in that there is generally assumed to be a safe level of exposure below which no negative health impact would occur. These levels are determined on a pollutant-by-pollutant basis. Acute and chronic exposure to non-carcinogens is expressed by using a Hazard Index, which is the ratio of expected exposure levels to acceptable health-acceptable exposure levels.

The Air Toxics "Hot Spots" Information and Assessment Act (AB 2588, 1987, Connelly) was enacted in 1987, and requires stationary sources to report the type and quantities of certain substances routinely released into the air. The goals of AB 2588 are to collect emission data, to identify facilities having localized impacts, to ascertain risks to acceptable levels. AB 2588 requires air districts to establish the prioritization score threshold at which facilities are required to prepare a health risk assessment (HRA). In establishing priorities, an air district must consider potency, toxicity, quantity, and volume of hazardous materials released from the facility, the proximity of the facility to potential receptors, and any other factors that the district determines may indicate that the facility may pose a significant risk.

In implementing its responsibilities under AB 2588, the District Governing Board adopted notification procedures, including prioritization score thresholds, for notifying the public of significant carcinogenic and non-carcinogenic health risks. The District concludes that use of the existing prioritization score thresholds to establish thresholds of significance under CCR §15064.7 is an appropriate and effective means of promoting consistency in significance determinations within the environmental review process. The District's thresholds of significance for determining whether project emissions would expose sensitive receptors to substantial pollutant concentrations are:

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

An HRA is not required for a project with a prioritization score of less than one (1).

Potentially hazardous materials are not expected to be associated with the steam generator sites. The District performed a Risk Management Review (RMR) analysis to determine possible health impacts from the Project's permitted stationary source emissions on the nearest sensitive receptors. The RMR demonstrates that the Project's acute and chronic hazard indices are both below 1.0 and the cancer exposure risk for the facility is less than ten (10) in a million. Therefore, no further analysis is required



and the project is approved without Toxic Best Available Control Technology (T-BACT). The District concludes that there is no substantial evidence of record to support a conclusion that the project would expose sensitive receptors to significant health risks.

Mitigation: None required.

Odor Impacts (e)

Conclusion: The Project would not create objectionable odor affecting a substantial number of people.

Discussion: While offensive odors rarely cause any physical harm, they can be very unpleasant, leading to considerable distress among the public and often generating citizen complaints to local governments and the District. Any project with the potential to frequently expose members of the public to objectionable odors should be deemed to have a significant impact. Due to the subjective nature of odor impacts, the number of variables that can influence the potential for an odor impact, and the variety of odor sources, there is no quantitative or formulaic methodologies to determine if potential odors would have a significant impact. Rather, projects must be assessed on a case-by-case basis.

Diesel exhaust from construction activities may generate odors. However, construction emissions are temporary in nature and the Project is not expected to affect a substantial number of people.

The District's *Guide for Assessing and Mitigating Air Quality Impacts* (GAMAQI) defines a significant odor impact as either more than one (1) confirmed complaint per year averaged over a three year period or two (2) unconfirmed complaints per year averaged over a three year period. A review of the District's compliance complaint database revealed that there have been no odor complaints received against the Applicant's operations in Modesto facility. Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that the project would create objectionable odors affecting a substantial number of people.

Mitigation: None required.

References

California Air Resources Board. *AB 2588 Air Toxics "Hot Spots" Program*. Website: <http://www.arb.ca.gov/ab2588/ab2588.htm>.

San Joaquin Valley Unified Air Pollution Control District. September 2012. *Authority to Construct: Application Review*, Applicant No. N-3309, Project No. N-1121433. Available at San Joaquin Valley Air Pollution Control District. 4800 Enterprise Way, Modesto, CA 95356.



San Joaquin Valley Unified Air Pollution Control District. January 2002. *Guide for Assessing and Mitigation Air Quality Impacts*. Website: <http://www.valleyair.org/transportation/CEQA%20Rules/GAMAQI%20Jan%202002%20Rev.pdf>.

San Joaquin Valley Unified Air Pollution Control District. August 2012. *Risk Management Review Applicant No. N-3309, Project No. N-1121433*. Available at San Joaquin Valley Air Pollution Control District. 1990 East Gettysburg Avenue, Fresno, CA 93726.

Sylvester, Steve, Senior Manager – Environmental Health and Safety. G3 Enterprises. Electronic and Telephone Communication.

IV. Biological Resources Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?				X
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, and regulations, or by the California Department of Fish and Game or US Fish and Wildlife Service?				X
c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?				X
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?				X
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?				X



IV. Biological Resources (continued)		Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
Would the Project:					
f)	Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?				X

IV. BIOLOGICAL RESOURCES

Species, Habitats, and Migratory Corridors (a-d)

Conclusion: The Project will not have an impact on candidate, sensitive and special status species or on riparian habitats, natural communities, wetlands, and migratory corridors.

Discussion: The Project is located within the existing boundaries of the Applicant’s Modesto facility. The facility has been used for label printing since February 2003. The project consists of the installation of a printing press, drying oven, and enclosure for capturing VOC emissions within an existing building and installation of an RTO unit on a concrete pad outside the building. The Project is consistent with current printing operations and surrounding land uses. The Project site is not part of any riparian habitat or other sensitive natural community as identified by the USFWS or CDFG. There are no waters on the Project site subject to Section 404 of the Clean Water Act. There is no substantial wildlife migration through the Project site due to the existence of major impediments, including the Union Pacific rail line and residential developments to the east, industrial uses to the north and west, and government facilities to the south of the project site. Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that the Project would have a detrimental impact on species, habitats, and migratory corridors.

Mitigation: None required.

Policies, Ordinances and Conservation Plans (e-f)

Conclusion: The Project will not have an impact on candidate, sensitive and special status species or on riparian habitats, natural communities, wetlands, and migratory corridors.

Discussion: The Project is located within the existing boundaries of the Applicant’s Modesto facility. The facility has been used for label printing since February 2003. The project consists of the installation of a printing press, drying oven, and enclosure for capturing VOC emissions within an existing building and installation of an RTO unit on a concrete pad outside the building. The Project is consistent with current printing



operations and will not conflict with any local policies or ordinances protecting biological resources. The Project is not located within the boundaries of a Habitat Conservation Plan (HCP), Multiple Species Habitat Conservation Plans (MSHCP), Natural Community Conservation Plans (NCCP) or any USFWS designated critical habitat. The District concludes that there is no substantial evidence of record to support a conclusion that the installation and operation of the Project would conflict with local policies or ordinances, or any provision of adopted federal, state, regional, or local conservation plans protecting biological resources.

Mitigation: None required.

References

California Department of Fish and Game. *Conservation and Mitigation Banks in California Approved by the Department of Fish and Game*. Website: <http://www.dfg.ca.gov/habcon/conplan/mitbank/catalogue/catalogue.html>

California Department of Fish and Game. *Natural Community Conservation Planning*. Website: <http://www.dfg.ca.gov/habcon/nccp/>.

Sylvester, Steve, Senior Manager – Environmental Health and Safety. G3 Enterprises. Electronic and Telephone Communication.

United States Fish and Wildlife Service. *Conservation Plans and Agreements Database*. Website: http://ecos.fws.gov/conserv_plans/public.jsp

United States Fish and Wildlife Service. *FWS Critical Habitat for Threatened & Endangered Species – Critical Habitat Portal*. Website: <http://crithab.fws.gov/>

V. Cultural Resources Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Cause a substantial adverse change in the significance of a historical resource as defined in '15064.5?				X
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to '15064.5?				X
c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?				X
d) Disturb any human remains, including those interred outside of formal cemeteries?				X



V. CULTURAL RESOURCES

Historical and Archaeological/Paleontological Resources and Human Remains (a-d)

Conclusion: The Project will not have an impact on historical resources, archaeological resources, paleontological resources, or human remains.

Discussion: The Project is located within the existing boundaries of the Applicant's Modesto facility. The facility has been used for label printing since February 2003. The project consists of the installation of a printing press, drying oven, and enclosure for capturing VOC emissions within an existing building and installation of an RTO unit on a concrete pad outside the building. The Project is consistent with current printing operations and all construction activities will occur on previously disturbed land. Therefore, there is no substantive change in existing site conditions.

There are no registered historic resources within the Project site. Human remains are not known to exist within the Project site. Although there is a possibility of archaeological/ paleontological resources being uncovered during construction activities at sites that have been previously developed, the area being disturbed is small. Standard protocol in compliance with existing regulations would require that, in the event that archaeological/ paleontological resources, including human remains, are discovered during surface surveys, digging, scraping, or other construction activities, all work within 100 feet be ceased until the significance and extent of the find can be recovered by a qualified archaeologist/paleontologist for study. Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that the Project would have an impact on historical, archaeological, or paleontological resources.

Mitigation: None needed.

References

California Native American Commission. *Determining the Significant Impacts to Archeological & Historical Resources*. Website: www.nah.ca.gov/Artical_5.html. California Code of Resources §15064.5

California Health and Safety Code §7050.5

Native American Heritage Commission. *Professional Guide for the Preservation and Protection of Native American Remains and Associated Grave Goods*. Website: <http://www.nahc.ca.gov/profguide.html>

Sylvester, Steve, Senior Manager – Environmental Health and Safety. G3 Enterprises. Electronic and Telephone Communication.



VI. Geology / Soils Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:				
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.				X
ii) Strong seismic ground shaking?			X	
iii) Seismic-related ground failure, including liquefaction?				X
iv) Landslides?				X
b) Result in substantial soil erosion or the loss of topsoil?				X
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the Project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?				X
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?				X
e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?				X



VI. GEOLOGY/SOILS

Seismic Activity and Geological Stability (a, c, d)

Conclusion: Potential risks of loss, injury or death resulting from strong seismic activity, unstable or expansive soils, and ground failure are less than significant.

Discussion: The Project is located within the existing boundaries of the Applicant's Modesto facility. The facility has been used for label printing since February 2003. The project consists of the installation of a printing press, drying oven, and enclosure for capturing VOC emissions within an existing building and installation of an RTO unit on a concrete pad outside the building. The Project is consistent with current printing operations and surrounding land uses.

The Project is located in an area with stable soils with little potential for strong seismic activity and ground failure. The Project will not be located on an unstable geological unit, unstable soil, or expansive soil. The Project is not located within an Alquist-Priolo Earthquake Fault Zone or within 500 feet of a known active fault trace. No major fault systems are known to exist in eastern Stanislaus County. The nearest faults to the Project site are the Greenville and Ortigalita Faults, approximately 30 miles west of the Project site. The Project is not located within a liquefaction hazard area, or within a landside hazard area. Therefore, potential for extensive surface rupture, strong ground shaking, and seismic ground failure, including liquefaction and landslides, is considered to be minimal.

The Project is consistent with current printing operations and is designed in accordance with all building code requirements including those pertaining to excavations, grading, and foundations. Adherence to California Buildings Standards Code (CBSC) requirements and compliance with California seismic design requirements would ensure that the Project would not expose persons or property to substantial risk of loss, injury or death resulting from seismic activity.

The District concludes that there is no substantial evidence of record to support a conclusion that the Project would result in significant risks to life and property as a result of impacts to geologic and soil resources.

Mitigation: None required.

Soil Erosion and Capacity for Wastewater (b, e)

Conclusion: The Project will not result in substantial soil erosion or the loss of topsoil and will have no impact on the capacity of the soil to support wastewater disposal systems.

Discussion: The Project is located within the existing boundaries of the Applicant's Modesto facility. The facility has been used for label printing since February 2003. The



project consists of the installation of a printing press, drying oven, and enclosure for capturing VOC emissions within an existing building and installation of an RTO unit on a concrete pad outside the building. The Project is consistent with current printing operations. The facility is currently being served by the City of Modesto wastewater treatment plant. As such, the Project does not require the use of septic tanks or additional wastewater systems. The Project would involve minimal ground-disturbing activities, including pad preparation and installation of piping and electrical systems, which could potentially create erosion. However, the Project will be built on soil with ratings of low susceptibility to erosion and the construction of the concrete pad and installation of the RTO unit will occur in areas that have been previously disturbed by similar activities. Potential impacts from soil erosion will be reduced through compliance with City of Ceres Building Department requirements. Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that the Project would result in substantial soil erosion, loss of topsoil, or the inability of the soil to support wastewater disposal.

Mitigation: None required.

References

California Department of Conservation, California Geological Survey. *Fault Parameters-Alquist Priolo Earthquake Fault Zones*. Website:
<http://www.conservation.ca.gov/cgs/rghm/ap/Pages/Index.aspx>

California Department of Conservation, California Geological Survey. *Seismic Shaking Hazards in California*. Website:
<http://redirect.conservation.ca.gov/cgs/rghm/pshamap/pshamain.html>

California Department of Conservation, California Geological Survey. *Special Publication 42 Interim Revision 2007: Fault –Rupture Hazard Zones in California*. Website: <ftp://ftp.consrv.ca.gov/pub/dmg/pubs/sp/Sp42.pdf>

City of Ceres. April 2011. *West Landing Specific Plan. Chapter 8. Infrastructure*. Website: <http://www.ci.ceres.ca.us/40634.html>

Natural Resources Conservation Service (NRCS) *Web Soil Survey*. Website:
<http://websoilsurvey.nrcs.usda.gov/app/>

Sylvester, Steve, Senior Manager – Environmental Health and Safety. G3 Enterprises. Electronic and Telephone Communication.



VII. Greenhouse Gas Emissions Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?		X		
b) Conflict with an applicable plan, policy, or regulation adopted for the purpose of reducing the emissions of greenhouse gases?			X	

VII. GREENHOUSE GAS EMISSIONS

GHG Emissions (a, b)

Conclusion: Project related GHG emissions will not conflict with any applicable plans or policies to reduce GHG emissions and will not have a significant impact on global climate change.

Discussion: Greenhouse gases (GHGs) are gases that absorb and emit radiation within the thermal infrared range, trapping heat in the earth’s atmosphere. There are no “attainment” concentration standards established by the Federal or State government for greenhouse gases. In fact, GHGs are not generally thought of as traditional air pollutants because greenhouse gases, and their impacts, are global in nature, while traditional “criteria” air pollutants affect the health of people and other living things at ground level, in the general region of their release to the atmosphere. Some greenhouse gases occur naturally and are emitted into the atmosphere through natural processes. Other GHGs are created and emitted solely through human activities. The principal greenhouse gases that enter the atmosphere because of human activities are carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), and fluorinated carbons. Additional information on GHG and global climate change can be found in the District staff report titled: *Addressing Greenhouse Gas Emissions Impacts Under the California Environmental Quality Act*.

Assembly Bill 32 (AB 32)

Assembly Bill 32 (California Global Warming Solutions Act of 2006) is a key piece of California’s effort to reduce its GHG emissions. AB 32 was adopted establishing a cap on statewide greenhouse gas emissions and sets forth the regulatory framework to achieve the corresponding reduction in statewide emissions levels. AB 32 requires the California Air Resources Board (ARB) to establish regulations designed to reduce California’s GHG emissions to 1990 levels by 2020. In executing its legislative mandate under AB 32, the ARB developed a Scoping Plan that contains the main strategies California will use to reduce GHG from Business-as-Usual (BAU) emissions projected



from 2020 levels back down to 1990 levels. BAU is the projected emissions caused by growth, without any GHG reduction measures. ARB determined that a 29% reduction from BAU is necessary to achieve the 1990 GHG emissions level. On December 11, 2008, ARB adopted its AB 32 Scoping Plan, setting forth a framework for future regulatory action on how California will achieve the goal of reducing GHG emissions to 1990 levels.

CEQA Requirements

In December, 2009, the California Natural Resources Agency (NRA) amended the CEQA Guidelines to include Global Climate Change (GCC), which is now generally accepted by the scientific community to be occurring and caused by Greenhouse Gases (GHG). The amendments address analysis and mitigation of the potential effects of GHG emissions in CEQA documents. In their *Final Statement of Reasons for Regulatory Action*, NRA recognizes that the analysis of GHG emissions in a CEQA document presents unique challenges to lead agencies. NRA amended section 15064(h)(3) of the CEQA guidelines to add compliance with plans or regulations for the reduction of greenhouse gas emissions to the list of plans and programs that may be considered in a cumulative impacts analysis. In their *Final Statement of Reasons for Regulatory Action*, NRA discusses that AB 32 requires ARB to adopt regulations that achieve the maximum technologically feasible and cost effective GHG reductions to reach the adopted state-wide emissions limit. NRA goes on to state that a lead agency may consider whether ARB's GHG reduction regulations satisfy the criteria in existing subdivision (h)(3).

District CEQA Policy

CEQA requires each public agency to adopt objectives, criteria, and specific procedures consistent with CEQA Statutes and the CEQA Guidelines for administering its responsibilities under CEQA, including the orderly evaluation of projects and preparation of environmental documents. On December 17, 2009, the District adopted the policy "*District Policy (APR 2005) – Addressing GHG Emissions Impacts for Stationary Source Projects Under CEQA When Serving as the Lead Agency*" and approved the District's guidance document for use by other agencies when addressing GHG impacts as lead agencies under CEQA. The policy applies to all District permitting projects that have an increase in GHG emissions, regardless of the magnitude of the increase. Under this policy, the District's determination of significance of project-specific GHG emissions is founded on the principal that projects with GHG emission reductions consistent with AB 32 emission reduction targets are considered to have a less than significant impact on global climate change. The approach in the policy relies on the use of Best Performance Standards (BPS) that would be applicable to projects that result in increased GHG emissions. BPS is defined as the most effective achieved-in-practice means of reducing or limiting GHG emissions from a GHG emissions source. Projects implementing BPS would be determined to have a less than cumulatively significant impact. Otherwise, demonstration of a 29% reduction in GHG emissions from BAU is required to determine that a project would have a less than cumulatively



significant impact consistent with GHG emission reduction targets established in ARB's AB32 Scoping Plan.

Construction Related GHG Emissions

The Project includes relocation of a 6-color gravure type printing press, a 2.5 MMBtu/hr natural gas fired ink drying oven, a 5 MMBtu/hr regenerative RTO, and ink dispensing room from the Ukiah facility to the Modesto facility. The printing press, drying oven, and enclosure for capturing VOC emission will be installed inside an existing building and the RTO will be placed on a new concrete pad outside the building. The VOC emission enclosure will be plumbed above ground to the RTO. Minimal site preparation is needed to accommodate the installation of the equipment at the Modesto facility. Construction activities include the removal and transport of the equipment from the Ukiah facility, use of a backhoe for site preparation, a cement truck for laying the concrete pad, and a scissor lift for installation of equipment at the Modesto facility. These activities are short-term and are considered too small to affect overall Project related environmental impacts. As such, a quantitative analysis of short-term construction related GHG emissions is not included in this assessment.

Operation Related GHG Emissions

Employees: Existing personnel will man and maintain the Project. Therefore, no increase in employee related mobile source GHG emissions is expected. As such, a quantitative analysis of employee related GHG emissions is not included in this assessment.

Truck Trips: The Project is being relocated from the Applicant's facility in Ukiah, Mendocino County, to the Modesto facility located in Ceres, Stanislaus County. The Ukiah facility will be permanently closed at the time that equipment is removed in October/November 2012. However, the Project will not result in an increase in truck trips from the Modesto facility. The applicant currently makes two (2) round trip shipments between the Ukiah and Modesto facilities per day. Unprocessed labeling materials are shipped from Modesto for processing in the Ukiah plant. Labels are then returned to the Modesto facility for final processing and shipment to customers. Because the Project eliminates the need for shipment of unprocessed labeling materials to the Ukiah plant for processing, the Project is expected to result in a reduction in heavy duty truck trips from the Modesto facility and total vehicle miles travelled (VMT) within the SJVAB. However, for the purposes of this assessment, the District assumes that VMT trips would remain status quo since end product will reach the same destination (market) as currently operating. As such, a quantitative analysis of trucking related GHG emissions is not included in this assessment.

Stationary Source Emissions: The Project is being relocated from the Applicant's facility in Ukiah, Mendocino County, to the Modesto facility located in Ceres, Stanislaus County. The Ukiah facility will be permanently closed at the time that equipment is removed in October/November 2012. Although label processing operations will



increase GHG emissions at the Modesto facility, the Project will not result in a net increase in overall production. As such, Project GHG emissions remain status quo. The District conducted an Engineering Evaluation (EE) for the Project which demonstrates that stationary sources permitted by the District would not result in a net increase in the Applicant's GHG emissions. Therefore, the District concludes that the Project would have a less than cumulatively significant impact on global climate change.

GHG Plans, Policies, and Regulations

Neither the City of Ceres nor Stanislaus County has an adopted GHG Climate Change Action Plan. As discussed above the District, acting as Lead Agency, requires either the incorporation of BPS or the demonstration of a 29% reduction in GHG emissions from BAU for any project that would result in an increase in GHG emissions. As demonstrated above, the Project will not result in an increase in GHG emissions. Therefore, the Project will not conflict with any known applicable plans, policies or regulations for addressing GHG impacts. The District concludes that there is no substantial evidence of record to support a conclusion that Project related GHG emissions would have a significant impact on the environment and global climate change

Mitigation: None required.

References

San Joaquin Valley Unified Air Pollution Control District. December 2009. *Addressing GHG Emission Impacts for Stationary Source Projects Under CEQA When Serving as the Lead Agency* (APR 2005). Website:
http://www.valleyair.org/policies_per/policies/apr2005.pdf

San Joaquin Valley Unified Air Pollution Control District. September 2012. *Authority to Construct: Application Review*, Applicant No. N-3309, Project No. N-1121433. Available at San Joaquin Valley Air Pollution Control District. 4800 Enterprise Way, Modesto, CA 95356.

San Joaquin Valley Unified Air Pollution Control District. December 2009. *Final Draft Staff Report: Addressing Greenhouse Gas Emissions Impacts Under The California Environmental Quality Act*.

Sylvester, Steve, Senior Manager – Environmental Health and Safety. G3 Enterprises. Electronic and Telephone Communication.



VIII. Hazards and Hazardous Materials Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?			X	
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?			X	
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?				X
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?				X
e) For a Project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the Project result in a safety hazard for people residing or working in the Project area?				X
f) For a Project within the vicinity of a private airstrip, would the Project result in a safety hazard for people residing or working in the Project area?				X
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?				X
h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?				X

VIII. HAZARDS & HAZARDOUS MATERIALS

Hazardous Materials and Exposure to the Public (a-d)

Conclusion: The Project will not expose the public to hazardous materials, and impacts are less than significant.



Discussion: The Project is located within the existing boundaries of the Applicant's Modesto facility. The facility has been used for label printing since February 2003. The project consists of the installation of a printing press, drying oven, and enclosure for capturing VOC emissions within an existing building and installation of an RTO unit on a concrete pad outside the building. The Project is not located on a site which meets this definition of Government Code Section 65962.5, which requires specific hazardous waste facilities to submit required information to the Department of Toxic Substances Control (DTSC).

The area immediately surrounding the Project is zoned for a variety of uses, including commercial, industrial, office and residential. The nearest non-residential receptors are a commercial/retail store located approximately 650 feet northwest of the Project site and 45 feet from the facility boundary and community services facilities located approximately 1,500 feet south of the Project site and 60 feet from the facility boundary. The nearest residential receptor is located approximately 1,800 feet from the Project site and 110 feet east of the facility boundary. Sinclear Elementary School is the closest K-12 school to the Project site and is located approximately 0.33 miles (1,800 feet) east of the facility boundary.

The Applicant is currently designated as a Large Quantity Generator and must submit biennial hazardous waste reports to the DTSC. The Project will result in an increase in use, discharge, and transportation of potentially hazardous material, specifically inks and solvents, at the Modesto facility. However, the materials are consistent with current operations, and due to the closure of the Ukiah facility the Project does not constitute an increase in the Applicant's use or discharge of hazardous waste.

The Project is expected to produce approximately four (4) 55-gallon drums, or roughly 1,400 pounds, of waste per month. The materials and waste will be transported in placarded vehicles in packaging or containers as required by CFR Title 49. The District conducted a risk screening analysis which indicated that receptors are located at distances sufficient to reduce potential impacts from hazardous materials and that operation of the Project would not pose a significant risk to the public. Therefore, the risk of exposure from the transport, use, and disposal of hazardous materials is minimal.

Compliance with existing safety standards in the construction and long-term operation of the Project will minimize any potential hazard to the public, G3 Enterprises employees, and the environment. Occupational safety standards exist in Federal and State laws to minimize worker safety risks from both physical and chemical hazards in the workplace. The California Department of Industrial Relations Division of Occupational Safety and Health (Cal/OSHA) is responsible for developing and enforcing safety standards and assuring worker safety in the handling and use of hazardous materials. Among other requirements, Cal/OSHA obligates many businesses to prepare Injury and Illness Prevention Plans and Chemical Hygiene Plans. The Hazard Communication Standard requires that workers be informed of the hazards associated with the materials they handle, if need be. Therefore, impacts resulting from the accidental release of hazardous materials are expected to be less than significant.



The District concludes that there is no substantial evidence of record to support a conclusion that the transportation, use, or disposal of hazardous materials would pose a hazard to the public.

Mitigation: None required.

Airports and Airstrips (e, f)

Conclusion: The Project is not located near active airports or airstrips; therefore, the Project will not have an impact on the safety of people residing or working in the Project area.

Discussion: The Project is located within the existing boundaries of the Applicant's Modesto facility. The facility has been used for label printing since February 2003. The project consists of the installation of a printing press, drying oven, and enclosure for capturing VOC emissions within an existing building and installation of an RTO unit on a concrete pad outside the building. The Project is consistent with current printing operations and surrounding land uses.

The Project site is not within two (2) miles of a private airport, public airport or public use airport. The nearest airport is the Modesto City-County Airport (MOD), also known as Harry Sham Field, located approximately 2.8 miles northeast of the Project site. Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that the Project's location near airports or airstrips would pose a risk to people residing or working in or near the Project area.

Mitigation: None required.

Emergency Response and Fire Hazards (g, h)

Conclusion: The Project will not interfere with emergency response or evacuation plans; nor will it expose people or structures to risks from wildland fires.

Discussion: The Project is located within the existing boundaries of the Applicant's Modesto facility. The facility has been used for label printing since February 2003. The project consists of the installation of a printing press, drying oven, and enclosure for capturing VOC emissions within an existing building and installation of an RTO unit on a concrete pad outside the building. The Project is consistent with current printing operations and surrounding land uses.

No wildlands are within close proximity of the Project. The California Department of Forestry and Fire Prevention (CAL FIRE) has determined that Stanislaus County has no Very High Fire Hazard Severity Zones (FHSZ) in the Local Responsibility Area (LRA). The Modesto facility is in the jurisdiction of the Ceres Fire Department. There are three (3) existing fire stations within two (2) miles of the Project site, with the closest being



located approximately 0.9 miles south of the Project site. The Project would not require any physical alterations to existing public roadways that would impair or interfere with emergency response or evacuation. Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that the Project would interfere with emergency response or expose people or structures to risks from fires.

Mitigation: None required.

References

California Department of Forestry and Fire Protection. *Fire Hazard Severity Zones Map*. Website: http://www.fire.ca.gov/fire_prevention/fire_prevention_wildland_zones.php

California Department of Toxic Substances Control. *DTSC's Hazardous Waste and Substances Site List - Site Cleanup (Cortese List)*. Website: http://www.dtsc.ca.gov/SiteCleanup/Cortese_List.cfm

California Department of Toxic Substances Control. *Envirostor*. Website: <http://www.envirostor.dtsc.ca.gov/public/>

California Environmental Protection Agency. *Cortese List: Section 65962.5(a)*. Website: <http://www.calepa.ca.gov/sitecleanup/corteselist/SectionA.htm>

Google Earth. September, 2012.

Musso, Lucien, Hazardous Material Specialist. Stanislaus County Department of Environmental Resources. Telephone Communication, August 2012.

Sylvester, Steve, Senior Manager – Environmental Health and Safety. G3 Enterprises. Electronic and Telephone Communication. August/September 2012.

IX. Hydrology / Water Quality Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Violate any water quality standards or waste discharge requirements?				X
b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?				X



IX. Hydrology / Water Quality (continued) Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner, which would result in substantial erosion or siltation on- or off-site?				X
d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?				X
e) Create or contribute runoff water which would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff?				X
f) Otherwise substantially degrade water quality?				X
g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?				X
h) Place within a 100-year flood hazard area structures which would impede or redirect flood flows?				X
i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?				X
j) Inundation by seiche, tsunami, or mudflow				X

IX. HYDROLOGY / WATER QUALITY

Water Quality, Waste Discharge, Groundwater, and Flooding (a-j)

Conclusion: The Project will not violate any water quality standards or waste discharge requirements; will not result in significant impacts on groundwater supplies, drainage patterns, or water quality; and will not expose people or structures to significant risks of loss.

Discussion: The Project is located within the existing boundaries of the Applicant's Modesto facility. The facility has been used for label printing since February 2003. The project consists of the installation of a printing press, drying oven, and enclosure for capturing VOC emissions within an existing building and installation of an RTO unit on a



concrete pad outside the building. The Project is consistent with current printing operations and surrounding land uses.

The facility currently receives water and sewage services from the City of Modesto. The Project is consistent with existing operations and will not result in significant water usage. The Project does not utilize groundwater recharge. Runoff is not considered an issue because the land is flat and the Project site receives relatively little rain (less than 15 inches per year). Precipitation at the project site is rarely sufficient to cause runoff and any runoff from the Project site would either percolate near the site or run to existing drainage channels. Any wastes generated by the operation of the Project will not be discharged to land. The lack of water bodies on the Project site precludes the possibility of potential adverse impacts on water quality. Therefore, the Project will not result in a violation of water quality standards or waste discharge requirements.

The Project does not include construction of any housing units. The Project is not located within the 100-year flood zone as mapped on Flood Insurance Rate Maps (FIRM). The Project site is in a county not identified in the Tsunami Inundation maps by the California Geological Survey as a county with inundation risk. The Project site is a relatively open area and would not impede or redirect flood flows. The Project site will not be altered enough to have a negative effect on surface runoff or increase flooding potential. The Project would not introduce a new flood hazard and would not necessitate any new flood control projects. Therefore, the Project would expose persons or structures to negative impacts resulting from flooding, tsunamis, or mudflow.

The District concludes that there is no substantial evidence of record to support a conclusion that the Project would have an impact on hydrology and water quality.

Mitigation: None required.

References

California Department of Conservation, California Geological Survey. *Tsunami Information*. Website:
http://www.conservation.ca.gov/cgs/geologic_hazards/Tsunami/Pages/Index.aspx

City of Modesto. . *Geographical Information Systems (GIS)*. Website:
<http://www.ci.modesto.ca.us/itd/gis/>

Federal Emergency Management Agency. Website: <http://www.msc.fema.gov/>

Sylvester, Steve, Senior Manager – Environmental Health and Safety. G3 Enterprises. Electronic and Telephone Communication.

Western Regional Climate Center. *PRISM Precipitation Maps: 1961-90*. Website:
<http://www.wrcc.dri.edu/precip.html>



X. Land Use / Planning Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Physically divide an established community?				X
b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the Project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?				X
c) Conflict with any applicable habitat conservation plan or natural community conservation plan?				X

X. LAND USE/PLANNING

Land Use , Planning, and Habitat/Natural Community Conservation Plans (a-c)

Conclusion: The Project will not divide an established community or conflict with applicable land use plans, policies, regulations, or any HCP, MSHCP, or NCCP.

Discussion: The Project is located within the existing boundaries of the Applicant’s Modesto facility. The facility has been used for label printing since February 2003. The project consists of the installation of a printing press, drying oven, and enclosure for capturing VOC emissions within an existing building and installation of an RTO unit on a concrete pad outside the building. The Project is consistent with current printing operations and surrounding land uses. The Project is not located within the boundaries of a MSHCP, NCCP or any USFWS designated critical habitat. Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that the Project would conflict with applicable land use plans, policies, regulations or any conservation plans.

Mitigation: None required.

References

California Department of Fish and Game. *Conservation and Mitigation Banks in California Approved by the Department of Fish and Game*. Website: <http://www.dfg.ca.gov/habcon/conplan/mitbank/catalogue/catalogue.html>

City of Ceres. *2009 General Plan*. Website: <http://www.ci.ceres.ca.us/40631.html>.

Sylvester, Steve, Senior Manager – Environmental Health and Safety. G3 Enterprises. Electronic and Telephone Communication.



United States Fish and Wildlife Service. *Conservation Plans and Agreements Database*.
 Website: http://ecos.fws.gov/conserv_plans/public.jsp

XI. Mineral Resources Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?				X
b) Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?				X

XI. MINERAL RESOURCES

Mineral Resources (a, b)

Conclusion: The Project will not have an impact on mineral resources.

Discussion: The Project is located within the existing boundaries of the Applicant's Modesto facility. The facility has been used for label printing since February 2003. The project consists of the installation of a printing press, drying oven, and enclosure for capturing VOC emissions within an existing building and installation of an RTO unit on a concrete pad outside the building. The Project is consistent with current printing operations and surrounding land uses. The Project site is not located in an area known to contain a mineral resource that is of value to the region or state. Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that the Project would result in the loss of a known mineral resource or the availability of a locally important mineral resource recovery site.

Mitigation: None required.

References

California Department of Conservation, California Geological Survey. *Mineral Resources*. Website:
http://www.conservation.ca.gov/cgs/geologic_resources/mineral_resource_mapping/Pages/Index.aspx

City of Ceres. *2009 General Plan*. Website: <http://www.ci.ceres.ca.us/40631.html>.



Sylvester, Steve, Senior Manager – Environmental Health and Safety. G3 Enterprises. Electronic and Telephone Communication.

XII. Noise Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?				X
b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?				X
c) A substantial permanent increase in ambient noise levels in the Project vicinity above levels existing without the Project?			X	
d) A substantial temporary or periodic increase in ambient noise levels in the Project vicinity above levels existing without the Project?			X	
e) For a Project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the Project expose people residing or working in the Project area to excessive noise levels?				X
f) For a Project within the vicinity of a private airstrip, would the Project expose people residing or working in the Project area to excessive noise levels?				X

XII. NOISE

Exposure of Persons to Noise and Vibration (a-f)

Conclusion: The Project is consistent with existing operations and any potential increases in ambient noise levels or vibrations would not be sufficient to result in a significant impact on nearby receptors.

Discussion: The Project is located within the existing boundaries of the Applicant’s Modesto facility. The facility has been used for label printing since February 2003. The project consists of the installation of a printing press, drying oven, and enclosure for capturing VOC emissions within an existing building and installation of an RTO unit on a concrete pad outside the building. The Project is consistent with current printing operations and surrounding land uses. The nearest residence is approximately 1,800 feet from the Project site and 110 feet east of the facility boundary. The nearest school



(Sinclair Elementary) is approximately 1,800 feet east of the facility boundary and the nearest airport (Modesto City-County Airport) is approximately 2.8 miles northeast of the Project site.

Construction activities could result in short-term increases of noise levels. However, construction activities would occur only in daytime hours and noise associated with the operation of construction equipment would cease upon completion of construction activities. Operational activities have the potential to increase ambient noise levels. To reduce potential noise impacts from ongoing operations, the Project will comply with City of Ceres Noise Level Performance Standards set forth in the General Plan. Compliance with the City's noise regulations is considered sufficient to ensure noise impacts on nearby receptors would be less than significant.

State and federal standards set by the U.S. Department of Labor Occupational Safety and Health Administration (OSHA) regulate the amount of time workers may be exposed to sound levels above 90 decibels. If the Project results in noise exceeding 90 dB, the Applicant will comply with all OSHA regulations for the protection against the effects of noise exposure (CCR §5095-5100). Compliance with the OSHA noise exposure regulations is considered sufficient to ensure noise impacts on employees would be less than significant.

The District concludes there is not substantial evidence of record to support a conclusion that Project related noise would have any significant impacts.

Mitigation: None required.

References

California Department of Industrial Relations. *General Industry Safety Orders, Group 15. Occupational Noise*. Website: <http://www.dir.ca.gov/title8/sb7g15.html>

City of Ceres. *City Municipal Code. Title 9 – Public Peace, Safety, and Morals*. Website: <http://www.ci.ceres.ca.us/204.html>

City of Ceres. *General Plan. Chapter 7 – Health and Safety*. Website: <http://www.ci.ceres.ca.us/GeneralPlan.pdf>

Google Earth. September 2012.

Sylvester, Steve, Senior Manager – Environmental Health and Safety. G3 Enterprises. Electronic and Telephone Communication.

United States Department of Labor. *Occupational Safety and Health Administration. Regulations (Standards - 29 CFR.)* Website: http://www.osha.gov/pls/oshaweb/owadisp.show_document?p_id=9735&p_table=STANDARDS



XIII. Population / Housing Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?				X
b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?				X
c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?				X

XIII. POPULATION AND HOUSING

Population and Housing (a, b, c)

Conclusion: The Project will not result in a substantial growth in population growth or the displacement of people or housing units.

Discussion: The Project is located within the existing boundaries of the Applicant’s Modesto facility. The facility has been used for label printing since February 2003. The project consists of the installation of a printing press, drying oven, and enclosure for capturing VOC emissions within an existing building and installation of an RTO unit on a concrete pad outside the building. The Project is consistent with current printing operations and surrounding land uses. The Project is expected to be operated and maintained by existing employees. As such, the Project is not growth inducing and will not adversely affect housing or population growth. Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that the Project would have significant impacts on population and housing.

Mitigation: None needed.

References

Sylvester, Steve, Senior Manager – Environmental Health and Safety. G3 Enterprises. Electronic and Telephone Communication.



XIV. Public Services Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:				
i) Fire protection?				X
ii) Police protection?				X
iii) Schools?				X
iv) Parks?				X
v) Other public facilities?				X

XIV. PUBLIC SERVICES

Fire Protection (a.i-a.v)

Conclusion: The Project will not require additional fire or police protection services, schools, parks, or other public facilities, nor will it negatively impact existing facilities' ability to provide services.

Discussion: The Project is located within the existing boundaries of the Applicant's Modesto facility. The facility has been used for label printing since February 2003. The project consists of the installation of a printing press, drying oven, and enclosure for capturing VOC emissions within an existing building and installation of an RTO unit on a concrete pad outside the building. The Project is consistent with current printing operations and surrounding land uses. The Project would not require any physical alterations to existing public roadways that would impair or interfere with emergency response or evacuation. The Project will be operated and maintained by existing employees and, as such, will not increase the population in the surrounding area. A lack of substantial increase in population precludes the possibility of the Project having a negative impact on police services, local schools and parks, or any other public facility. Therefore the District concludes that there is no substantial evidence of record to support a conclusion that the Project would have a significant impact on public facilities and services.

Mitigation: None required.



References

Sylvester, Steve, Senior Manager – Environmental Health and Safety. G3 Enterprises. Electronic and Telephone Communication.

XV. Recreation Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?				X
b) Include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?				X

XV. RECREATION

Recreational Facilities (a, b)

Conclusion: The Project will not have an impact on neighborhood or regional parks or any other local recreational facilities.

Discussion: The Project is located within the existing boundaries of the Applicant’s Modesto facility. The facility has been used for label printing since February 2003. The project consists of the installation of a printing press, drying oven, and enclosure for capturing VOC emissions within an existing building and installation of an RTO unit on a concrete pad outside the building. The Project is consistent with current printing operations and surrounding land uses. The Project does not include new recreational facilities. The Project will be operated and maintained by existing employees and, as such, will not increase the population in the surrounding area. A lack of substantial increase in population precludes the possibility of the Project having a negative impact on neighborhood and regional parks. The District concludes that there is no substantial evidence of record to support a conclusion that the Project would have a significant impact on or resulting from recreational facilities.

Mitigation: None required.



References

Sylvester, Steve, Senior Manager – Environmental Health and Safety. G3 Enterprises. Electronic and Telephone Communication.

XVI. Transportation / Traffic Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation systems, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?				X
b) Conflict with an applicable congestion management program, including, but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways?				X
c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?				X
d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?				X
e) Result in inadequate emergency access?				X
f) Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities?				X



XVI. TRANSPORTATION / TRAFFIC

Programs , Plans and Policies, Traffic Patterns, and Emergency Response (a-f)

Conclusion: The Project will not conflict with any transportation or traffic related plans or programs and will not result in changes in traffic patterns affecting emergency response.

Discussion: The Project is located within the existing boundaries of the Applicant's Modesto facility. The facility has been used for label printing since February 2003. The project consists of the installation of a printing press, drying oven, and enclosure for capturing VOC emissions within an existing building and installation of an RTO unit on a concrete pad outside the building. The Project is consistent with current printing operations and surrounding land uses.

Currently, unprocessed labeling materials are hauled to the Ukiah facility, approximately 205 miles away, for processing into labels. The finished labels are then transported back to the Modesto facility where they are used in the packaging of products on-site before being shipped to market. The Project, will allow the Applicant to process labels on-site concurrent with packaging operations. Because the Project eliminates the need for shipment of unprocessed labeling materials to the Ukiah plant for processing, the Project is expected to result in a reduction in heavy duty truck trips and total vehicle miles travelled (VMT) within the SJVAB. However, for the purposes of this assessment, the District assumes that VMT trips would remain status quo since packaged end product will reach the same destination (market) as currently operating. The Project will be operated and maintained by existing employees and, as such, will not increase the population in the surrounding area. The Project is not located within two (2) miles of a private or public airport. The Project does not include the construction of new public roads or alterations to existing public roads or intersections. Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that the Project would conflict with transportation and transit plans or would result in negative impacts to existing circulation systems.

Mitigation: None required.

References

Google Maps. September 2012.

Sylvester, Steve, Senior Manager – Environmental Health and Safety. G3 Enterprises. Electronic and Telephone Communication.



XVII. Utilities / Service Systems Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?				X
b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				X
c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				X
d) Have sufficient water supplies available to serve the Project from existing entitlements and resources, or are new or expanded entitlements needed?				X
e) Result in a determination by the wastewater treatment provider that serves or may serve the Project that it has adequate capacity to serve the Project's projected demand in addition to the provider's existing commitments?				X
f) Be served by a landfill with sufficient permitted capacity to accommodate the Project's solid waste disposal needs?				X
g) Comply with federal, state, and local statutes and regulations related to solid waste?				X

XVII. UTILITIES / SERVICE SYSTEMS

Wastewater, Solid Waste, and Facilities (a-g)

Conclusion: The Project would not significantly impact existing utility and service systems.

Discussion: The Project is located within the existing boundaries of the Applicant's Modesto facility. The facility has been used for label printing since February 2003. The project consists of the installation of a printing press, drying oven, and enclosure for capturing VOC emissions within an existing building and installation of an RTO unit on a



concrete pad outside the building. The Project is consistent with current printing operations and surrounding land uses. The facility is currently serviced by the City of Modesto for its water, sewage, and solid waste needs. The Project will not result in a substantial increase of industrial wastewater or waste discharge. Runoff is not considered an issue because the land is flat and the Project site receives relatively little rain (less than 15 inches per year). Precipitation at the project site is rarely sufficient to cause runoff and any runoff from the Project site would either percolate near the site or run to existing drainage channels. Any wastes generated by the operation of the Project will not be discharged to land. The Applicant is currently designated as a Large Quantity Generator and must submit biennial hazardous waste reports to the DTSC. The Project will result in an increase in use, discharge, and transportation of hazardous material (ink and solvent) at the Modesto facility. However, the materials are consistent with current operations, and due to the closure of the Ukiah facility the Project will not result in an increase in the Applicant's overall use of these hazardous materials. Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that the Project would have a detrimental impact on existing utility and service systems.

Mitigation: None required.

References

City of Ceres. April 2011. *West Landing Specific Plan. Chapter 8. Infrastructure.*
 Website: <http://www.ci.ceres.ca.us/40634.html>

Sylvester, Steve, Senior Manager – Environmental Health and Safety. G3 Enterprises.
 Electronic and Telephone Communication.

XVIII. Mandatory Findings of Significance Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Does the Project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?		X		



XVIII. Mandatory Findings of Significance (continued) Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
b) Does the Project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively Considerable" means that the incremental effects of a Project are considerable when viewed in connection with the effects of past Projects, the effects of other current Projects, and the effects of probable future Projects)?			X	
c) Does the Project have environmental effects, which will cause substantial adverse effects on human beings, either directly or indirectly?			X	

XVIII. MANDATORY FINDINGS OF SIGNIFICANCE

Impacts on the Environment (a-c)

Conclusion: The Project, with the incorporation of mitigation measures, will have a less than significant impact on the environment.

Discussion: The Project is located within the existing boundaries of the Applicant's Modesto facility. The facility has been used for label printing since February 2003. The project consists of the installation of a printing press, drying oven, and enclosure for capturing VOC emissions within an existing building and installation of an RTO unit on a concrete pad outside the building. The Project is consistent with current printing operations and surrounding land uses. The analyses of environmental issues contained in this Initial Study/Mitigated Negative Declaration identify Air Quality as the only area in which the Project has to potential to have significant impacts on the environment. The District's Engineering Evaluation demonstrates that with the incorporation of required permit conditions and the surrender of ERCs, Project related criteria pollutant emissions would be reduced to a less than significant level. Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that the Project would have a detrimental impact on the environment.

Mitigation: See Mitigation Measures: AIR-1

References

Google Earth. September 2012.



San Joaquin Valley Unified Air Pollution Control District. September 2012. *Authority to Construct: Application Review*, Applicant No. N-3309, Project No. N-1121433. Available at San Joaquin Valley Air Pollution Control District. 4800 Enterprise Way, Modesto, CA 95356.

San Joaquin Valley Unified Air Pollution Control District. August 2012. *Risk Management Review* Applicant No. N-3309, Project No. N-1121433. Available at San Joaquin Valley Air Pollution Control District. 1990 East Gettysburg Avenue, Fresno, CA 93726.

Sylvester, Steve, Senior Manager – Environmental Health and Safety. G3 Enterprises. Electronic and Telephone Communication.



H. List of Attachments

I. Monitoring and Reporting Program

Impact	Measure Number	Significance Prior to Mitigation	Mitigation Measure	Enforcement Agency	Significance After Mitigation
Operational emissions may exceed the District's thresholds of significance.	AIR-1	Potentially Significant	<p>G3 Enterprises shall comply with all applicable District permitting requirements and shall surrender Emission Reduction Credits to offset operational emissions as required by District NSR requirements prior to the start of construction activities. The following condition will be included in the Authority to Construct:</p> <p><i>Prior to operating under this Authority to Construct, the following quantities of VOC shall be mitigated: 1st quarter: 8,545 pounds, second quarter: 8,545 pounds, 3rd quarter: 8,545 pounds and 4th quarter: 8,545 pounds. The offsets shall be provided at the ratio specified in Table 4-2 of District Rule 2201 (as amended on 4/21/2011). [District Rule 2201]N</i></p>	San Joaquin Valley Air Pollution Control District	Less Than Significant



II. Appendix A – Engineering Evaluation

Available Upon Request at District Office:

San Joaquin Valley Air Pollution Control District
Northern Region
34946 Flyover Court
Bakersfield, CA 93308
(661) 392-5500



III. Appendix B – Risk Management Review

Available Upon Request at District Offices:

San Joaquin Valley Air Pollution Control District
Central Region
1990 E. Gettysburg Avenue
Fresno, CA 93726
(559) 230-6000