

September 14, 2018

VIA E-MAIL AND FEDERAL EXPRESS

Honorable David Glass, Mayor
and Members of the Petaluma City Council
City of Petaluma
11 English Court
Petaluma, CA 94952

**Re: Safeway Fuel Center Project;
September 17, 2018 City Council Agenda, Item 6.B**

Dear Mayor Glass and Members of the City Council:

We write on behalf of our client, Safeway, Inc., regarding the proposed Safeway Fuel Center Project (the "Project") at 335 S. Mc Dowell Boulevard (the "Property") in the City of Petaluma (the "City"). The Project has been reviewed by the City for nearly six years and was the subject of numerous studies prepared by expert consultants as well as a detailed mitigated negative declaration ("MND") prepared by M-Group, the City's contract Planning Staff.

After continuing its May 8, 2018 hearing to obtain more information regarding air quality and traffic, and to allow additional review by Petaluma City Schools (the "District"), the City's Planning Commission approved the Project on June 26, 2018. On July 9, 2018, an appeal of the Planning Commission's action was filed by JoAnn McEachin and others. The appeal is scheduled for consideration by the City Council at its September 17, 2018 meeting.

In connection with its consideration of the appeal, Safeway submitted letters dated September 6, 2018 and September 11, 2018 providing updates and voluntary supplemental information for the benefit of City Council, City Staff, and the public record. Today, we are writing to again provide voluntary supplemental information in response to the September 12, 2018 letter from Chris Thomas, the District's Chief Business Official, and enclosed letter from Meridian Consultants commenting on the MND.

As a preliminary matter, we note that the comment period on the MND closed on May 7, 2018. The District submitted comments on the MND in the form of a May 7, 2018 letter from Ms. Thomas incorporating comments from its-then environmental consultant, ESA. ESA's comments were responded to in a May 8, 2018 letter from Illingworth & Rodkin. As a result, Ms. Thomas issued a June 18, 2018 letter indicating that ESA had reviewed and accepted the responses.

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We understand that the District hosted a meeting in mid-August for the families and teachers of McDowell Elementary School to ask questions of ESA about the Project. ESA advised the attendees of that meeting (which consisted only of teachers; no parents attended, although invited) that the Project met all health and safety standards. Unhappy with that conclusion, the District requested that ESA perform additional studies. ESA declined to do additional work.

As such, Safeway was somewhat surprised to receive yet another comment letter from Ms. Thomas with a new environmental consultant located in Los Angeles. Nonetheless, we have asked the expert consultants who prepared the studies relied on by the MND to prepare responses to Meridian's comments. Summaries of their responses are provided below; more detailed responses are provided in the enclosed attachments.

1. Air Quality

The commenter questions the modeling used for the air quality analysis and health risk assessment. As explained in the September 14, 2018 memo prepared by Illingworth & Rodkin (attached hereto as Exhibit A), the air quality analysis and health risk assessment modeled the Project as an 8 gas island (16-pump) fuel station using accepted default CalEEMod modeling settings. The health risk assessment likewise relied on a dispersion model recommended for use by the Bay Area Air Quality Management District ("BAAQMD") and for which representative Petaluma meteorological data is available. The commenter also raises questions regarding the use of diesel fuel. As is widely known, the reactive organic gas emissions from diesel are negligible when compared to gasoline. In summary, the extensive technical studies performed by Illingworth & Rodkin, and reviewed and concurred with by multiple City Staff members and ESA, consistently demonstrate that the Project will result in less than significant impacts to air quality.

2. Greenhouse Gas Emissions

The commenter raises similar claims regarding the modeling use for the greenhouse gas emissions. Again, as explained in Exhibit A, the greenhouse gas assessment modeled the Project as an 8 gas island (16-pump) fuel station using standard default CalEEMod model settings. The resulting analysis shows that the Project will result in less than significant impacts to greenhouse gas emissions.

3. Hazards and Hazardous Materials

Commenter claims that the MND failed to adequately address potential hazards that may result from the Project, specifically as the Project relates to the "adjacent" schools. As a preliminary matter, the schools are *across* Maria Drive from the Project site and not adjacent to it. More

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fundamentally, the MND does analyze the Project's proximity to the schools, which it acknowledges are located within one-fourth mile of the Project site. As a result of the Project's adherence to existing federal, state, and local regulations regarding the proper storage, handling, and transport of hazardous materials, the MND concludes that the Project will result in less than significant impacts to health and safety. (MND, p. 38.)

4. Noise

Commenter questions the analysis of construction and operational noise associated with the Project. As explained in Exhibit A, the noise analysis relies on standard methodologies and adopted thresholds. The MND concludes that the Project's noise impacts will be less than significant. That conclusion is supported by the Environmental Noise Assessment prepared by Illingworth & Rodkin.

5. Transportation/Traffic

Commenter claims that the traffic analysis should have assumed most Project trips would exit the Project site onto Maria Drive, and included pedestrian safety features for this driveway, which is located near the crosswalk at South McDowell Boulevard. As explained in the September 14, 2018 memo prepared by CHS Consulting Group (attached hereto as Exhibit B), the 2014 Traffic Impact Study did assume most Project trips would exit the Project site onto Maria Drive. The 2018 Traffic Impact Study Update reflects the more realistic scenario of customers using multiple access points given that many Project customers will likely already be patronizing the existing grocery store and/or other retail stores in the shopping center.

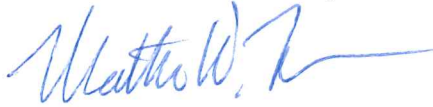
More fundamentally, the Project is required to replace the existing sidewalks that are broken or cracked and install new pedestrian-friendly infrastructure, including pedestrian ramps, crosswalk striping, and warning signage at proposed driveway entrances and at the intersection of Maria Drive and S. McDowell Blvd. The Project is also conditioned to rebuild the Eastside Transit Center, which currently parks three buses on Maria Drive, causing vehicles to drive around them into on-coming traffic. These measures will promote pedestrian access and safety, particularly as to the school-bound pedestrians in the vicinity, in compliance with the Safe Routes to School Program.

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Thank you very much for the your assistance on this matter. Please do not hesitate to contact me with any questions regarding the enclosed information.

Very truly yours,

RUTAN & TUCKER, LLP



Matthew D. Francois

MDF:mtr
Attachments

cc: John Brown, City Manager, City of Petaluma
Heather Hines, Planning Manager, City of Petaluma
Olivia Ervin, Principal Environmental Planner, City of Petaluma
Adam Petersen, Senior Planner, City of Petaluma
Eric Danly, City Attorney, City of Petaluma
Natalie Mattei, Senior Real Estate Manager, Safeway, Inc.
Mark Friedman, President, Fulcrum Property

EXHIBIT A

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MEMO

Date: September 14, 2018

To: **Natalie Mattei**
Senior Real Estate Manager
Albertsons Companies
11555 Dublin Canyon Road
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From: James A. Reyff & Fred M. Svinth
Illingworth & Rodkin, Inc.
1 Willowbrook Court, Suite 120
Petaluma, CA 94954

RE: Safeway Fuel Center CEQA document - Petaluma, CA

SUBJECT: Safeway Fuel Center Health Risk Assessment, Air Quality and Greenhouse Gas Emissions Assessment, and Noise Study - Response to Comments made by Meridian Consultants - Job#13-205

This memo addresses comments made by Meridian Consultants in a letter dated September 12, 2018 to the Petaluma City Council regarding the City's Mitigated Negative Declaration that used information contained in studies prepared by Illingworth & Rodkin, Inc. (I&R). These studies included the Health Risk Assessment (HRA), Air Pollutant and Greenhouse Gas Emissions Assessment and the Environmental Noise Assessment.

AIR QUALITY AND HEALTH RISK

CalEEMod Modeling

The HRA and Air Pollutant and Greenhouse Gas Emissions Assessment modeled the project as a 16-pump fuel station using default CalEEMod modeling settings. The 16-pump fuel station land use is assumed to include some sort of building structure, as is typical for such land uses. The operational air pollutant and greenhouse gas (GHG) emissions are associated with traffic generated by the fuel station (including idling of vehicles) and not the kiosk building. The addition of the 697-square foot building would have a negligible effect on the emissions modeling. CalEEMod generates construction default conditions for projects based on the size range in acreage, which is

based on surveys conducted by the South Coast Air Quality Management District (SCAQMD)¹. The project falls into the category of a 1-acre project. Changing the acreage to 0.7 acres or adding in the additional square footage of the kiosk building would not change the construction period emissions (this was verified with the model). Note that Safeway offered and the City's Planning Commission conditioned the project to use, at a minimum, construction equipment that meets U.S. EPA Tier 3 standards to reduce construction period emissions and associated health risks even further than the less than significant amounts reflected in the reports.

As described above, the CalEEMod default construction assumptions were used. This included a grading phase where the Commenter suggests a trenching phase should have been used in lieu of the CalEEMod defaults. CalEEMod does not have a defined trenching phase and the model default site preparation, grading and paving phases were assumed to include activity associated with the ground work phase of the project. The Commenter notes that there would be some export of material not reflected in the modeling; however, that material would be used to balance the site. There would be approximately 75 truckloads of material need to complete the site balance that was not included in the modeling. This amount would not substantially affect the construction emissions estimate. As shown in the HRA results for operation, the contribution of truck traffic associated with annual operation of the project is negligible and the amount of truck traffic required during construction would be less.

Health Risk Assessment

The Commenter claims that the HRA should have used the AERMOD dispersion model instead of the ISCST3 model used. This was conducted in accordance with the Bay Area Air Quality Management District's (BAAQMD) guidance, since there are representative meteorological data available for Petaluma that are suitable for use with the ISCST3 model. There are no representative meteorological data available for Petaluma that are suitable for use with the AERMOD model.

As described in the BAAQMD *Recommended Methods for Screening and Modeling Local Risks and Hazards*, refined modeling is recommended for projects in which the screening analysis exceeds the thresholds or a more site-specific characterization is required because it is complex with multiple sources. Refined models such as ISCST3 and AERMOD require much more site-specific information, but yield greater characterization of the project and more representative results. The BAAQMD recommended models for use in refined modeling analysis include the ISCST3 and AERMOD models.²

While the AERMOD dispersion is the current EPA recommended refined dispersion model for regulatory applications, as described in the EPA *Guideline on Air Quality Models*, the EPA's ISCST3 refined dispersion model is considered an alternative model that can be used when approved by the reviewing regulatory (i.e., the BAAQMD).³ As detailed above, the current BAAQMD modeling guidance recommends the use of either the AERMOD or ISCST3 models for CEQA related health risk assessments.

¹ CalEEMod Users Guide, Appendix E, Technical Source Documentation, Appendix E1, ppE-1 through E-4.

² Recommended Methods for Screening and Modeling Local Risks and Hazards. Bay Area Air Quality Management District (BAAQMD). May 2012.

³ Guideline on Air Quality Models. Appendix W of 40 CFR Part 51.

For this project, local meteorological data for use in the AERMOD model was not available from the BAAQMD. However, hourly meteorological data for use with the ISCST3 model from the Petaluma Airport meteorological station were available from the BAAQMD and used for the refined modeling in the HRA.

Diesel Fuel

Operation of the project was modeled as only dispensing gasoline. The reactive organic gas (ROG) emissions from diesel are negligible when compared to gasoline. For this reason, the BAAQMD permit does not specifically address diesel fuel storage and dispensing. Volatility is a property of a liquid fuel that defines its evaporation characteristics and emissions potential. The vapor pressure of a fuel is a common measure of the volatility or potential for evaporative emissions to occur. The higher the vapor pressure of the fuel, the greater the potential for evaporative emissions. The vapor pressure of diesel fuel is about 500 times lower than that of gasoline, depending on the gasoline formulation being used and time of year⁴. Therefore, evaporative ROG emissions from diesel fuel are negligible. This is the reason why fuel nozzles for diesel fuel pumps (green nozzles) do not have vapor recovery devices on them while the gasoline nozzles do.

GREENHOUSE GAS EMISSIONS

A full analysis of the project's greenhouse gas (GHG) emissions was conducted. The project's *Air Pollutant and Greenhouse Gas Emissions Assessment* computed air pollutant and GHG emissions with the CalEEMod model using a 16-pump Gasoline/Service Station land use and found them to be less than the 1,100 metric ton threshold. So, the MND's finding that these emissions are below the thresholds is well supported by the modeling results contained in the air quality studies. We note that the computations of operational emissions included conservative assumptions:

- Use of the CalEEMod default customer travel length of over 7 miles instead of a 3 miles distance for the typical travel length in Petaluma (i.e., the emissions modeling assumes customers, on average, would travel 7 miles to purchase fuel) and
- The addition of idling emissions that assume maximum queuing is occurring all day, while the default CalEEMod mobile emissions account for some idling.

NOISE

Calculation of Noise Levels at Sensitive Receptors vs. Property Lines

The noise analysis considers impacts at the location of the actual sensitive receptors which follows the intent of the City's IZO that impacts should be evaluated at public or private open/outdoor spaces where noise sensitive users will actually be present. As such the front yards of the residences across South McDowell Blvd, while technically private open space, are not truly used for outdoor enjoyment due to visual and noise exposure to South McDowell traffic. Similarly, the school lands between the Maria Drive property line and the school building are generally used for storage and other passive use with active outdoor play areas beyond the building setbacks.

However, even if the analysis were to consider noise levels at the property lines of these uses average project operational noise levels in these areas would only increase by up to 2 dBA, would

⁴U.S. EPA AP-42 Volume of Emission Factors, Section 7.1 *Organic Liquid Tanks*. September 1997.

remain either below or within the range of current daytime and nighttime noise levels at the adjacent noise sensitive uses as found in the analysis and would not result in noise impacts greater than what are discussed in the MND.

Construction Noise Impacts

The establishment of intermittent high noise levels of 70 to 85 dBA is based on the Typical Ranges of Leq Construction Noise Levels per the U.S.EPA document and accepted fixed source attenuation rates referenced in the report. The use of the criteria, which holds that temporary construction activities that produce noise levels exceeding 60 dBA Leq or the ambient noise environment by 5 dBA Leq for a period greater than 1 year, is established to address CEQA noise checklist item d⁵ and in doing so defines temporary as less than 1 calendar year (or building season) and substantial as 60 dBA Leq (the City general Plan Ambient) or 5 dBA (considered a significant increase). This significance criteria is a well-established measure for evaluating construction noise significance and I&R has used it in many past and current noise studies in Petaluma and throughout California. Although existing residences and the adjacent school have the potential to be intermittently exposed to noise levels ranging from 70 to 85 dBA, project construction would not exceed 60 dBA Leq or the ambient noise environment by 5 dBA Leq for a period greater than 1 year.

Noise Source Levels

Vehicle noise source levels used in the report are based on I&R's measurement experience and California Reference Energy Mean Emissions Level (REMELS) modeling values. Though our measurement experience with vehicular levels vary (thus the range given), the REMELS model predicts sound levels of 57 dBA at 25 feet due to a passenger car traveling at 15 mph, and sound levels of 74 dBA at 50 feet due to a heavy truck traveling at 15 mph. These levels are well within the sound level range given in the report.

We would further note that heavy traffic noise source level of 60 dBA at 300 feet referenced by the commenter are from the CalTrans Technical Noise Supplement, which relates to heavy highway or roadway traffic and not sound levels produced by individual vehicles or even light traffic.

The mechanical equipment noise source levels used in the report are also based on I&R's measurement and design experience with commercial HVAC equipment and were given as a wide range of sound levels to conservatively allow for the possibility of very loud equipment use. As noted in the report, equipment sound levels will vary significantly depending upon the equipment type and size and could not be fully determined at the time of the report due to schematic nature of the design. In practice we expect that mechanical equipment will produce levels at or below 70 to 80 dBA at 3 feet as noted in the report.

Increases and Decreases in Traffic Noise Levels

As per commonly accepted acoustical practice, the increases and decreases in traffic noise levels were calculated as a function of the logarithmic relationship of the relative increases in A.M. and P.M. peak hour existing and cumulative traffic volumes with the project compared to the existing and cumulative conditions A.M. and P.M. peak hour conditions without the project.

⁵ "Would the project result in a substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?"

Reduction of “Conditionally Acceptable” to “Normally Acceptable” Noise Levels

Based on the results of the noise measurement survey and noise analysis, the noise sensitive uses in the project area are currently exposed to “conditionally acceptable” noise levels. The implementation of the project will not cause a significant noise increase, and not would not decrease the acceptability of the noise environment at these uses. Furthermore, the project is not required to reduce the existing noise environment at the adjacent noise sensitive uses to levels below those which currently exist.

EXHIBIT B



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Technical Memorandum

Date: September 14, 2018
To: Natalie Mattei, Safeway
CC: Matt Francois, Rutan & Tucker LLP
From: Andrew Kluter, PE, CHS Consulting Group

Re: Petaluma Safeway Fuel Center: Traffic/Transportation Response to Petaluma City Schools Peer Review Conducted by Meridian Consultants, September 12, 2018

CHS Consulting Group has reviewed the subject Transportation peer review conducted by Meridian Consultants and offers the following responses:

1. *The Transportation/Traffic section of the MND identifies General Plan policies 5-P-10, 5-P-20, 5-P-22, and 5-P-43 as relevant to the Project. Policy 5-P-10 states a minimum level of service (LOS) for intersections. The MND uses that as the threshold of significance for checklist question "a." Given the existing LOS of intersections in the area, and the relative number of trips associated with the Project, the use of this threshold would not result in significant impacts.*

However, LOS is not a complete measure of impacts. Due to the proximity of the school, the following General Plan policies should have been included in the MND:

- **5-P-24:** *Give priority to the pedestrian network and streetscape amenities near schools, transit, shopping, and mixed-use corridors emphasized in the General Plan.*
- **5-P-32G:** *Participate in and support recommendations of the Safe Routes to Schools program.*
- **7-P-15:** *Improve and expand safe pedestrian, bicycle, and transit access to all school sites and campuses.*

Response: The Project is consistent with the above mentioned General Plan policies. As further discussed in Item 3 below, the Project's approval is conditioned to complete multiple pedestrian, bicycle, and transit access improvements. The Project is also conditioned to dedicate a portion of its Maria Drive frontage to rebuild the sidewalk and the Eastside Transit Center along southbound Maria Drive. Additional improvements focused on bicycle and pedestrian safety are identified in Item 3 below.

2. *The MND states: "In order to maintain a conservative analysis all project traffic is assumed to enter and exit the project site via the two-way Maria Drive site driveway located closest to the fuel center." While this may create a "conservative" LOS analysis by not assuming trips exit onto McDowell Boulevard or Washington Street, this assumption allows for approximately 42 percent of the exiting trips to be routed east on Maria Drive away from the intersection with McDowell Boulevard. Elsewhere, the MND states that vehicles would "exit the fuel center via the right-out-only driveway onto Maria Drive." This makes sense based on the design of the fuel center, which directs multiple rows of vehicles from east to west through the fueling stations where the exit at the west end of the site is more conveniently placed. A conservative analysis should have assumed most trips would exit the site onto Maria Drive at this point, with all vehicles turning to the right.*

Response: The analysis of 2014 Traffic Impact Study, which is cited in this comment, assumed all Project trips would enter and exit the two-way Maria Drive site driveway. The report further stated that in reality Project

trips would likely split among the shopping center driveways as follows: 40 percent using Maria Drive, 30 percent using S. McDowell Boulevard, and 30 percent using E. Washington Street. The 2018 Traffic Impact Study Update reflects this more realistic scenario of customers using multiple access points along Maria Drive, E. Washington Street, and S. McDowell Drive, given that many Fuel Center customers will likely already be patronizing the Safeway grocery store and other stores within the shopping center. This is a more realistic expectation of shopping center driveway use by Fuel Center patrons given the Fuel Center placement on site and the presence of other stores on site, rather than assuming all will use Maria Drive.

3. *The MND and the traffic study evaluate potential conflict between vehicles exiting the Safeway parking lot and Petaluma Transit buses stopping along Maria Drive at the East Petaluma Transit Center. However, there are other potential conflicts that the MND does not evaluate. The MND states: "Due to the proximity of the adjacent elementary school there will be elementary school bound pedestrians walking across the McDowell Boulevard and Maria Drive intersection at the same time as the am peak hour traffic" (p. 57). However, the MND does not acknowledge that the City has identified Maria Drive as part of the Safe Route to School network serving McDowell Elementary. In addition, the City has indicated that Maria Drive is planned to accommodate a Class III bike route. Though the MND states that new crosswalks would be striped across the two-way driveways into the Safeway parking lot, no pedestrian safety features are described for the exit onto Maria Drive that is approximately 50 feet from the intersection with McDowell Boulevard. Given the concurrent timing of school start, peak traffic, Petaluma Transit bus schedules, and the fuel truck deliveries described in the MND, there would appear to be multiple points of conflict during the AM peak hour that are not evaluated in the MND.*

Response: Section 3.16(f) of the MND analyzes the Project's consistency with pedestrian, bicyclist, and other alternative transportation facilities. It notes the Project will provide enhancements to pedestrian and bicyclist facilities. As such, the MND concludes that the impacts of the Project to transit, bicycle, and pedestrian facilities would be less than significant.

In a June 6, 2018 memo, CHS noted that the City's Safe Routes to School Plan provides recommendations for pedestrian safety at the S. McDowell/Maria intersection. The suggestions include minor sidewalk repairs, widening the sidewalks, and including a pedestrian phase at the signal. Consistent with these recommendations and in compliance with the Safe Routes to School Program, the Project's approval would be conditioned on, among others, (1) the replacement of existing sidewalks and curb ramps that are broken or cracked, (2) the installation of a new, accessible, and directional pedestrian ramp at the S. McDowell/Maria intersection, and (3) installation of pedestrian crossing warning signage at the proposed driveway entrances. These improvements and the Safe Routes to School Plan were discussed in the Response to Comments on the Draft MND.

Contrary to the reviewer's assertion that the MND has not acknowledged Maria Drive as being planned to accommodate a Class III bikeway, page 8 and Illustration 2 of the 2014 TIS clearly identify Maria Drive as a future Class III bikeway from E. Washington Street to S. McDowell Boulevard. Additionally, the Project's approval will be conditioned on installing Class III bicycle signage along Maria Drive to City standards.

On the issue of pedestrian safety features for the exit onto Maria Drive that is approximately 50 feet from the intersection with McDowell Boulevard, the Project's approval will be conditioned to (1) place reflective markings / striping on the curb returns/bulb outs to warn drivers and cyclists, (2) repair existing driveway approaches and curb ramps along the Maria Drive and S. McDowell Boulevard frontages to City of Petaluma standards, and (3) to install pedestrian crossing warning signs at the proposed driveway entrances.