



City of Huntington Beach Planning Department
STAFF REPORT

TO: Planning Commission
FROM: Howard Zelefsky, Director of Planning
BY: Ricky Ramos, Associate Planner
DATE: May 27, 2003

SUBJECT: ENVIRONMENTAL IMPACT REPORT NO. 00-02 (Poseidon Seawater Desalination Plant)

APPLICANT: Poseidon Resources Corporation, 3760 Kilroy Airport Way, #260, Long Beach, CA 90806

PROPERTY

OWNER: AES Huntington Beach, LLC, 21730 Newland Street, Huntington Beach, CA 92646

LOCATION: 21730 Newland Street (East side of Newland, south of Edison Ave)

STATEMENT OF ISSUE:

- ◆ Environmental Impact Report No. 00-02 (EIR No. 00-02) request:
 - Analyze the potential environmental impacts associated with a request to construct a 50 million gallons per day (MGD) seawater desalination plant including a 10,120 square foot administration building, a 38,090 square foot reverse osmosis building, a 36,305 square foot product water storage tank, and miscellaneous accessory structures on an approximately 11 acre site. The project also includes up to 10 miles of water transmission lines to connect to an existing regional transmission system, and two off-site booster pump stations.
 - Documents potential impacts to Land Use/Relevant Planning, Geology/Soils/Seismicity, Hydrology and Water Quality, Air Quality, Noise, Public Services and Utilities, Aesthetics/Light and Glare, Hazards and Hazardous Materials, and Construction Related Impacts.
 - Evaluates four alternatives to the original project proposal.
 - Concludes that the project results in no environmental impacts or less than significant environmental impacts in the areas of Agricultural Resources, Air Quality (long-term), Biological Resources, Cultural Resources, Hazards and Hazardous Materials, Land Use/Relevant Planning, Mineral Resources, Population and Housing, Recreation, and Transportation/Traffic.
 - Concludes that potential impacts can be mitigated to less than significant levels in the areas of Geology/Soils/Seismicity, Hydrology and Water Quality, Noise, Public Services and Utilities, Aesthetics/Light and Glare, and Construction Related Impacts.
 - Concludes that potential impacts cannot be mitigated to less than significant levels in the area of Short-Term Construction Related Emissions.
- ◆ Staff's Recommendation: Certify EIR No. 00-02 as adequate and complete and adopt a Statement of Overriding Considerations based upon the following:
 - Compliance with California Environmental Quality Act (CEQA)

- Compliance with the City of Huntington Beach General Plan goals, policies, and objectives
- Compliance with the City of Huntington Beach Zoning and Subdivision Ordinance
- Potentially significant environmental impacts have been eliminated or substantially lessened
- Remaining significant unavoidable impacts are found to be acceptable due to overriding considerations
- Benefits of the project are balanced against its unavoidable environmental impacts

RECOMMENDATION:

Motion to:

“Certify EIR No. 00-02 as adequate and complete in accordance with CEQA requirements by approving Resolution No. 1581 (Attachment No. 1).”

ALTERNATIVE ACTION(S):

The Planning Commission may take alternative actions such as:

- A. “Deny certification of EIR No. 00-02 with findings for denial.”
- B. “Continue certification of EIR No. 00-02 and direct staff accordingly.”

PROJECT PROPOSAL:

Environmental Impact Report No. 00-02 represents an analysis of potential environmental impacts associated with the construction a 50 million gallons per day (MGD) seawater desalination plant including a 10,120 square foot administration building, a 38,090 square foot reverse osmosis building, a 36,305 square foot product water storage tank, and miscellaneous accessory structures on an approximately 11 acre site. The project includes up to 10 miles of water transmission lines to an existing regional transmission system, and two off-site booster pump stations. The project also proposes perimeter landscaping and fencing along the project’s frontage on Newland Street and Edison Avenue.

The EIR provides a discussion of impacts by issue area and provides mitigation measures, where appropriate. Specific issue areas discussed in the EIR include: Land Use/Relevant Planning, Geology/Soils/Seismicity, Hydrology and Water Quality, Air Quality, Noise, Public Services and Utilities, Aesthetics/Light and Glare, Hazards and Hazardous Materials, and Construction Related Impacts. All other issues, including Population and Housing, Transportation/Traffic, Biological Resources, Mineral Resources, Cultural Resources, Recreation, and Agricultural Resources were determined to result in no environmental impacts or less than significant environmental impacts. These issue areas were fully evaluated in the Initial Study/Notice of Preparation for the proposed project, which is included as Appendix A to the EIR document. An analysis of alternatives to the proposed project and long-term implications resulting from project implementation are also provided.

An analysis of the proposed development of the property is presented in a companion report that will be considered by the Planning Commission after action on the EIR. The companion report reviews applications for Conditional Use Permit No. 02-04 and Coastal Development No. 02-05.

ISSUES:

Subject Property And Surrounding Land Use, Zoning And General Plan Designations:

LOCATION	GENERAL PLAN	ZONING	LAND USE
Subject Property and South of Subject Property	P (Public)	PS-O-CZ-FP2 (Public-Semipublic – Oil Production Overlay – Coastal Zone Overlay – Floodplain Overlay)	AES Generating Station
North of Subject Property (across from Edison Ave)	I-F2-d (Industrial)	IG-O-CZ-FP2 (General Industrial)	Animal Hospital, Industrial, Beach Maintenance Facility
East of Subject Property	RM-15-sp (Residential Medium Density), P (Public)	SP-10 (Magnolia Pacific Specific Plan), PS-O-CZ-FP2	Flood control channel, ASCON-NESI landfill, Tank Farm
West of Subject Property (across from Newland St)	RM-15	IL-O-CZ-FP2 (Limited Industrial), RMP-CZ-FP2 (Manufactured Home Park)	Vacant, Mobile Home Park, RV Park

General Plan Conformance:

A detailed discussion of the project’s conformity with goals, policies, and objectives of the General Plan is presented in Section 4.1 (Land Use/Relevant Planning) of the EIR. The proposed project is consistent with the Land Use designation and the goals, policies, and objectives of the City’s General Plan as follows:

A. Land Use Element

LU 2 - Ensure that development is adequately served by transportation infrastructure, utility infrastructure, and public services.

LU 4.1.1 - Require adherence to or consideration of the policies prescribed for Design and Development in this Plan, as appropriate.

LU 4.1.2 - Require that an appropriate landscape plan be submitted and implemented for development projects subject to discretionary review.

LU 4.2.1 - Require that all structures be constructed in accordance with the requirements of the City’s building and other pertinent codes and regulations; including new, adaptively re-used, and renovated buildings.

LU 4.2.4 - Require that all development be designed to provide adequate space for access, parking, supporting functions, open space, and other pertinent elements.

LU 7.1.1 - Accommodate existing uses and new development in accordance with the Land Use and Density Schedules.

LU 12.1.4 - Require that new and recycled industrial projects be designed and developed to achieve a high level of quality, distinctive character, and be compatible with existing uses.

LU 12.1.5 - Require that new and recycled industrial structures and sites be designed to convey visual interest and character and to be compatible with adjacent uses, considering the: a. use of multiple building masses and volumes to provide visual interest and minimize the visual sense of bulk and mass; b. architectural design treatment of all building elevations; c. use of landscaping in open spaces and parking lots, including broad landscaped setbacks from principal peripheral streets; d. enclosure of storage areas with decorative screening or walls; e. location of site entries to minimize conflicts with adjacent residential neighborhoods; and f. mitigation of noise, odor, lighting, and other impacts.

LU 12.1.7 - Control the development of industrial uses that use, store, produce, or transport toxins, generate unacceptable levels of noise or air pollution, or result in other impacts that may adversely impact Huntington Beach.

LU 13.1.8 - Ensure that the City's public buildings, sites, and infrastructure improvements are designed to be compatible in scale, mass, character, and architecture with existing buildings and pertinent design characteristics prescribed by this General Plan for the district or neighborhood in which they are located, and work with non-City public agencies to encourage compliance.

The General Plan Land Use Map designation on the subject property is P (Public) which permits a variety of public and institutional uses such as governmental facilities and utilities. The proposed desalination plant is consistent with this designation. The proposed structures are compatible with the industrial development on-site and surrounding industrial area. The structures will be lower in height and have a more attractive design consistent with the General Plan and Design Guidelines. The new structures include multiple building masses and consistent architectural treatment that is carried throughout all the structures, including the architectural screen for the various tanks, for a cohesive appearance. The project provides code required parking and landscaping pursuant to the zoning ordinance including at 10-foot landscape planter with an eight-foot high block wall along the project's Newland and Edison street frontages. The perimeter wall and landscaping will help screen the site and improve the aesthetics of the area. The new structures will be built according to the City's building and other pertinent codes and will include all necessary utility infrastructure needed to support the use. Potential impacts relating to noise, odor, lighting, and use of hazardous materials are addressed by code requirements, mitigation measures, and recommended conditions of approval.

B. Urban Design Element

UD 2.1: Minimize the visual impacts of new development on public views to the coastal corridor, including views of the sea and wetlands.

UD 2.1.1: Require that new development be designed to consider coastal views in its massing, height, and site orientation.

The proposed desalination plant structures will not impact public views to the coast. There are limited views across the AES generation station site due to the height of the existing structures. However, views will be improved to the extent that the proposed desalination plant structures have a lower profile than the existing fuel storage tanks and the AES facility.

C. Circulation Element

CE 2.3 - Ensure that the location, intensity and timing of new development is consistent with the provision of adequate transportation infrastructure and standards as defined in the Land Use Element.

CE 2.3.1 - Require development projects to mitigate off-site traffic impacts and pedestrian, bicycle, and vehicular conflicts to the maximum extent feasible.

CE 2.3.2 - Limit driveway access points and require adequate driveway widths onto arterial roadways and require driveways be located to ensure the smooth and efficient flow of vehicles, bicycles and pedestrians.

CE 2.3.3 - Require, where appropriate, an irrevocable offer of mutual access across adjacent non-residential properties fronting arterial roadways and require use of shared driveway access.

CE 2.3.4 - Require that new development mitigate its impact on City streets, including but not limited to, pedestrian, bicycle, and vehicular conflicts, to maintain adequate levels of service.

CE 7 - Maintain and enhance the visual quality and scenic views along designated corridors.

To improve circulation in the area, the project will be required to dedicate property along the project's frontage on Newland (10 foot dedication) and Edison (12 foot dedication) for street widening. In addition, the applicant will be required to improve the area to be dedicated on Edison as well as pay their fair share of the cost of widening Newland Street. These improvements will further the city's goal of improving the circulation in the immediate area consistent with the adopted standards. The applicant will also be required to pay traffic impact fees to be used for improvements to the city's overall circulation system.

Consistent with policies for mutual access, the applicant is proposing to access the site through the existing AES entrance off Newland Street to limit driveway access points onto arterials. To enhance the visual quality of the site, the project is required to provide a 10-foot perimeter landscape planter to enhance the overall appearance of the site and area. The landscaping improvements are proposed to be consistent with the approved AES landscaping for a cohesive appearance.

D. Coastal Element

C 1.1.1 - With the exception of hazardous industrial development, new development shall be encouraged to be located within, contiguous or in close proximity to, existing developed areas able to accommodate it or, where such areas are not able to accommodate it, in other areas with adequate public services, and where it will not have significant adverse effects, either individually or cumulatively, on coastal resources.

C 1.2.1 - Accommodate existing uses and new development in accordance with the Coastal Element Land Use Plan and the Development and Density Schedule Table C-1.

C 1.2.3 - Prior to the issuance of a development entitlement, the City shall make the finding that adequate services (i.e., water, sewer, roads, etc.) can be provided to serve the proposed development, consistent with policies contained in the Coastal Element, at the time of occupancy.

C 4.2.1 - Ensure that the following minimum standards are met by new development in the Coastal Zone as feasible and appropriate: a. preservation of public views to and from the bluffs, to the shoreline and ocean and to the wetlands; b. adequate landscaping and vegetation; c. evaluation of project design regarding visual impact and compatibility; and d. incorporate landscaping to mask oil operations and major utilities, such as the electrical power plant on Pacific Coast Highway.

C 4.7 - Improve the appearance of visually degraded areas within the Coastal Zone.

C 4.7.1 - Promote the use of landscaping material to screen uses that detract from the scenic quality of the coast along public rights-of-way and within public view.

C 4.7.5 - Require the review of new and/or expansions of existing industrial and utility facilities to ensure that such facilities will not visually impair the City's coastal corridors and entry nodes.

C 4.7.8 - Require landscape and architectural buffers and screens around oil production facilities and other utilities visible from public rights-of-way.

C 6.1.1 - Require that new development include mitigation measures to enhance water quality, if feasible; and, at a minimum, prevent the degradation of water quality of groundwater basins, wetlands, and surface water.

C 6.1.13 - Encourage research and feasibility studies regarding ocean water desalinization as an alternative source of potable water. Participate in regional studies and efforts where appropriate.

C 7.1.3 - Development in areas adjacent to environmentally sensitive habitat areas and parks and recreation areas shall be sited and designed to prevent impacts which would significantly degrade those areas, and shall be compatible with the continuance of those habitat and recreation areas.

C 7.1.4 - Require that new development contiguous to wetlands or environmentally sensitive habitat areas include buffer zones. Buffer zones shall be a minimum of one hundred feet setback from the landward edge of the wetland, with the exception of the following:

A lesser buffer may be permitted if existing development or site configuration precludes a 100 foot buffer, or conversely, a greater buffer zone may be required if substantial development or significantly increased human impacts are anticipated. In either case, the following factors shall be considered when determining whether a lesser or wider buffer zone is warranted. Reduced buffer zone areas shall be reviewed by the Department of Fish and Game prior to implementation.

- a) Biological significance of adjacent lands: The buffer should be sufficiently wide to protect the functional relationship between wetland and adjacent upland.

- b) Sensitivity of species to disturbance: The buffer should be sufficiently wide to ensure that the most sensitive species will not be disturbed significantly by permitted development, based on habitat requirements of both resident and migratory species and the short and long term adaptability of various species to human disturbance.
- c) Susceptibility of parcel to erosion: The buffer should be sufficiently wide to allow for interception of any additional material eroded as a result of the proposed development based on soil and vegetative characteristics, slope and runoff characteristics, and impervious surface coverage.
- d) Use existing cultural features to locate buffer zones: The buffer zone should be contiguous with the environmentally sensitive habitat area and make use of existing features such as roads, dikes, irrigation canals, and flood control channels where feasible.

The proposed use is consistent with the Land Use designation for the site of P (Public) which permits a variety of public and institutional uses such as governmental facilities and utilities. Adequate services can be provided to serve the project because the project is an infill development and all services already exist in the surrounding vicinity. The project will help improve the appearance of the area by replacing the existing 40-foot high fuel storage tanks with more attractive lower profile structures (maximum height 30 ft.) and installing perimeter landscaping along the project's Newland and Edison street frontages. The proposed structures will be located behind an existing concrete berm (10 ft. high) away from any wetland or sensitive habitat areas. The buildings are adequately buffered and will have no impact to sensitive habitat.

E. Air Quality Element

AQ 1.8.1 - Continue to enforce construction site guidelines that require truck operators to minimize particulate emission.

AQ 1.8.2 - Require installation of temporary construction facilities (such as wheel washers) and implementation of construction practices that minimize dirt and soil transfer onto public roadways.

Recommended conditions and mitigation measures will require the contractor to maintain equipment in peak operating condition, use low-sulfur diesel fuel in all equipment, shut off engines when not in use, and discontinue operation during second stage smog alerts. Furthermore, other measures will be required such as washing tires and undercarriages and covering all trucks leaving the construction site, and providing for street sweeping as needed. The implementation of these measures will help to reduce impacts to the surrounding area during construction.

F. Environmental Hazards Element

EH 1.2.1 - Require appropriate engineering and building practices for all new structures to withstand groundshaking and liquefaction such as stated in the Uniform Building Code (UBC).

The Building and Safety Department will require the applicant to comply with the Uniform Building Code. Also, recommended conditions and mitigation measures will require the applicant to submit a geotechnical report addressing a variety of issues including liquefaction and perform special studies and investigation to address fault rupture potential.

G. Noise Element

N 1.2.2 - Require new industrial and new commercial land uses or the major expansion of existing land uses to demonstrate that the new or expanded use would not be directly responsible for causing ambient noise levels to exceed an exterior Ldn of 65 dB(A) on areas containing “noise sensitive” land uses as depicted on Figure N-1.

N 1.6 - Minimize the impacts of construction noise on adjacent uses.

N 1.6.1 - Ensure that construction activities be regulated to establish hours of operation, to prevent and/or mitigate the generation of excessive or adverse noise impacts through the implementation of the existing Noise Ordinance and/or any future revisions to the Noise Ordinance.

A recommended mitigation measure will require the applicant to submit a noise analysis indicating compliance with the City’s Noise Ordinance. The Noise Ordinance states that exterior noise standards in all residential properties shall not exceed 55 dbA from 7 am to 10 pm and 50 dbA from 10 pm to 7 am. Noise sources during construction are exempt from the Noise Ordinance provided that a valid building/grading permit has been obtained from the City. Construction hours are limited to between the hours of 7 am to 8 pm, Monday through Saturday and prohibited on Sundays and Federal holidays. Recommended mitigation measures will also require that equipment operated within 1,000 feet of a dwelling be muffled, stockpiling and vehicle staging areas be located as far as possible from residential areas, and unnecessary idling of engines be prohibited.

H. Hazardous Materials Element

HM 1.1.4 - Implement federal, state and local regulations for the handling, storage and disposal of hazardous materials.

HM 1.2.2 - Ensure that hazardous waste transportation activities are conducted in a manner that will minimize risks to sensitive uses.

HM 1.4.4 - Require that the owners of contaminated sites develop a remediation plan with the assistance of the Orange County Environmental Management Agency (EMA).

The desalination plant will be using chemicals in its operations both to clean the reverse osmosis membranes and to treat the potable product water. The project will comply with all federal, state and local regulations for the handling, storage and disposal of hazardous materials. The transportation of chemicals to the desalination plant will be conducted by registered haulers and is required to comply with all Caltrans regulations. The plant is also required to develop hazardous waste management and safety plans pursuant to Occupational Health and Safety Association (OSHA) and US Environmental Protection Agency (EPA) requirements. The Fire Department will also require the applicant to submit for their approval a complete chemical inventory and use, storage, and handling plan prepared by a qualified professional. The project will incorporate leak and containment measures to minimize any risk to employees and the surroundings. All chemicals will be stored in concrete containment structures with a 100 percent spill containment capacity.

Zoning Compliance: Not applicable.

Urban Design Guidelines Conformance: Not applicable.

Environmental Status:

In accordance with the California Environmental Quality Act, RBF Consulting, a consultant hired by the City, prepared EIR No. 00-02 to analyze the potential environmental impacts of the project. The document must be adopted and certified by the Planning Commission prior to any action on Conditional Use Permit No. 02-04 and Coastal Development No. 02-05.

The EIR is intended to serve as an informational document for decisions to be made by the City and responsible agencies regarding the proposed project. The EIR analyzes the potential environmental impacts associated with the proposed seawater desalination plant, accessory structures, water transmission lines, and off-site booster pump stations. EIR No. 00-02 discusses potential adverse impacts in the areas of Land Use/Relevant Planning, Geology/Soils/Seismicity, Hydrology and Water Quality, Air Quality, Noise, Public Services and Utilities, Aesthetics/Light and Glare, Hazards and Hazardous Materials, and Construction Related Impacts. The direct, indirect and cumulative impacts of the proposal are addressed, as are the impacts of project alternatives.

1. Environmental Procedures

The procedure that was followed during preparation of EIR No. 00-02 is outlined below:

DATE	ACTIVITY
May 17, 2001	Staff and RBF conducted an initial study and determined that an EIR would be necessary for the project.
May 17, 2001	A Notice of Preparation was sent to responsible agencies and filed with the State Clearinghouse to notify the public of the intent to prepare an EIR. A Notice of Availability was published in the Independent and sent to area property owners within a 2,000 ft. radius as well as interested parties. A 30-day public review period was established from May 17, 2001 through June 15, 2001.
June 6, 2001	A Public Scoping Meeting was held at the Edison Community Center (at 2:30 pm and 7:15 pm) for the public to review the proposed project, discuss any concerns and issues, and inquire about the CEQA process.
Sept. 19, 2002	Notice of Completion filed with the State Clearinghouse. Notice of Availability mailed to all property owners and tenants within a 300 ft radius, all interested parties, all attendees at scoping meetings, and all interested agencies. Draft EIR available for public review and comment for forty-five days from Sept. 19 through Nov. 4, 2002. Draft EIR available for review at City Hall, Central Library, and Banning Branch Library.
Nov. 4, 2002	Comments on EIR accepted up to 5:00 PM. A total of 21 comment letters were received.
March 21, 2003	Response to Comments on Draft EIR and Final EIR are made available for public information and sent to Responsible Agencies and commenting parties. (CEQA requires Response to Comments be sent to Responsible Agencies and commenting parties 10 days prior to certification hearing.)
May 27, 2003	Public hearing before Planning Commission to Certify EIR No. 01-02.

2. Summary of EIR No. 00-02

In the preparation of an environmental impact report, potential impacts associated with the proposed development are identified and analyzed pursuant to the requirements of CEQA. These impacts are categorized into three levels of significance. They are: less than significant impacts; impacts that can be mitigated to a level less than significant; and unavoidable significant impacts. The level of impacts associated with the proposed project are identified below:

a) Less Than Significant Impacts

The project will result in impacts to some environmental resources and conditions that are concluded not to be significant if the development proposal complies with standard conditions of approval suggested in the entitlement staff report. The following topical areas were determined to result in no environmental impacts or less than significant environmental impacts:

- Agricultural Resources
- Air Quality (long-term)
- Biological Resources
- Cultural Resources
- Hazards and Hazardous Materials
- Land Use/Relevant Planning
- Mineral Resources
- Population and Housing
- Recreation
- Transportation/Traffic

b) Adverse Impacts That Can Be Mitigated to Less Than Significant

Through the use of appropriate mitigation measures identified in the EIR, the majority of the potentially adverse impacts associated with the project (CUP and CDP) can be mitigated to a level of insignificance. Areas where impacts may occur and a brief description of the recommended mitigation measures are as follows:

- Aesthetics/Light and Glare
 - Utilize minimum light levels for safety and security and lighting shall be directed to avoid spillage onto adjacent properties
 - All exterior mechanical equipment shall be screened from view
- Construction Related Impacts
 - Concentrate construction activities away from adjacent residential uses as feasible
 - Limit construction hours to Monday-Saturday, 7 am to 8 pm
 - All construction equipment shall have mufflers
 - Install construction security fence
 - Submit erosion and dust control plan
 - Construction shall include Best Management Practices to control pollutants
 - Complete a Storm Water Pollution Prevention Plan prior to construction
 - Dewatering plan shall be approved by the Public Works Department, Santa Ana Regional Water Quality Control Board, and Orange County Water District

- Post informational signs on site prior to starting remediation
 - All structures to be cleaned of hazardous materials prior to off-site transportation
 - Contractor to follow all recommendations within the adopted Remedial Action Plan
 - A Traffic Management Plan shall be approved for all work in roadways
 - A truck and construction vehicle routing plan shall be approved by the Public Works Department
 - Conduct nesting survey of savannah sparrows adjacent to desalination plant site
 - Conduct surveys for California gnatcatcher, Bell's vireo, southwestern pond turtle, raptor nests, and sensitive biological resources at booster pump station site
 - Archaeologist to evaluate any historical and archaeological resources discovered during the construction of the booster pump.
- Geology/Soils/Seismicity
 - Submit geotechnical report to include recommendations regarding grading, foundations, remedial work, overexcavation/recompaction, dewatering, lateral spreading, flood control channel bank stability, liquefaction potential, and ground water constraints and incorporate recommendations into the grading plan
 - Complete removal and recompaction of compressible soils or use of piles and grade beams to support on-site structures
 - Compliance with the Uniform Building Code and California Division of Mines and Geology's Guidelines for Evaluating and Mitigating Seismic Hazards and Guidelines for Analyzing and Mitigating Liquefaction
 - Incorporate adequate measures to stabilize structures from on-site soils known to be prone to liquefaction
 - Perform special studies and subsurface investigation to determine fault rupture potential of South Branch fault which underlies the site
 - Hydrology and Water Quality
 - Submit a Water Quality Management Plan for approval by the Public Works Department to control pollutant runoff
 - Perform hydrology and hydraulic analysis to address storm water drainage and flooding
 - Install on-site drainage system to address stormwater
 - Product water quality to be regulated by the California Department of Health Services
 - Noise
 - Submit an acoustical analysis to assure that all stationary noise sources comply with the city's Noise Ordinance
 - Public Service and Utilities
 - Pay traffic impact, sewer connection, water service connection, and school impact fees
 - Incorporate solid waste reduction and recycling methods for project construction and operation

These impacts can be reduced by mitigation measures suggested in the draft environmental impact report and summarized in this report. Staff recommends incorporation of these mitigation measures into the conditions of approval for the development project (CUP and CDP).

c) Unavoidable Significant Impacts

There are adverse environmental impacts that cannot be completely eliminated through mitigation measures relating to short-term construction related emissions of carbon monoxide, reactive organic compounds, and nitrogen oxides from the proposed project.

Environmental impacts associated with implementation of a project may not always be mitigated to a level considered less than significant. In such cases, a Statement of Overriding Considerations must be prepared prior to approval of the project, and in accordance with CEQA Guidelines Sections 15091 and 15093. CEQA requires decision makers to balance the benefits of the proposed project against its unavoidable environmental risks in determining whether to approve the project. If the benefits of a proposed project outweigh the unavoidable adverse environmental effects, the City may consider the adverse environmental effects acceptable. In this particular case, staff believes the social, economic, and ecosystem/biological resources benefits of the proposed project outweigh the adverse impacts to air quality during the construction process. A Statement of Overriding Considerations is required to describe the specific reasons for approving the project, based on information contained within the Final EIR, as well as any other information in the public record.

Prior to certification and adoption of the EIR by resolution, the Planning Commission may amend the document. It should be noted, however, that removal of any of the recommended mitigation measures requires findings and justification. Additionally, all mitigation measures that are approved with the EIR must be applied to the approved project.

Environmental Board:

The City's Environmental Review Board reviewed the EIR at their meeting of October 3, 2002. In addition, the Board submitted a letter during the 45-day public comment period. The letter has been responded to by the consultant and is included as part of the Response to Comments (see Attachment No. 2). In summary, the Board commented on the following:

- Use of the most energy efficient motors available to drive the 36 large electric water pumps
- Coordinate with other agencies on possibility of co-locating other needed pipelines to minimize impacts
- Impacts to water quality and marine biology
- Reduced impacts from use of aboveground water storage tank in lieu of underground tank option

Coastal Status:

The proposed project is within the appealable portion of the Coastal Zone. Coastal Development Permit No. 02-05 is being processed concurrently with EIR No. 00-02 and Conditional Use Permit No. 02-04 pursuant to Chapter 245 of the Zoning and Subdivision Ordinance. The project's compliance with Coastal Zone issues is discussed in a separate report.

Redevelopment Status:

The project is located in the Huntington Beach Southeast Coastal Redevelopment Project area. Discussion of the proposed project's effect on redevelopment issues is discussed in a separate report.

Design Review Board: Not applicable.

Subdivision Committee: Not applicable.

Other Departments Concerns and Requirements:

The EIR was circulated to other Departments for review and comment. All Department comments and recommendations are incorporated into the EIR and its mitigation measures. No conditions of approval apply to the EIR. As development of the proposed project occurs, compliance with mitigation measures will be enforced through the Mitigation Monitoring and Reporting Program, which is attached to the staff report for the development.

Public Notification:

Legal notice was published in the Huntington Beach/Fountain Valley Independent on May 15, 2003, and notices were sent to property owners of record and occupants within an expanded radius of 2,000 ft. from the subject property, individuals/organizations requesting notification (Planning Department's Notification Matrix), applicant, and interested parties. Since this report was completed prior to the notices being sent and the legal notice being published, no written communication supporting or opposing the request was received prior to the completion of this report. Any such written communication received subsequently will be forwarded to the Planning Commission under separate cover.

Application Processing Dates:

DATE OF COMPLETE APPLICATION:

Dec. 12, 2000 – Application Submitted
March 16, 2001 - EA Completed
September 19, 2002 – Draft EIR Completed
March 21, 2003 – Response to Comments Completed

MANDATORY PROCESSING DATE(S):

September 21, 2003

ANALYSIS:

The analysis section provides a brief overview of the EIR and its conclusions, a review of the project alternatives, a brief discussion of the Statement of Overriding Considerations, and a summary of the response to comments.

EIR Overview

The EIR provides a detailed analysis of potential impacts associated with the proposed project. The issues discussed in the EIR are those that have been identified in the course of extensive review of all potentially significant environmental impacts associated with the project. The EIR discusses potential adverse impacts in nine issue areas. The direct, indirect and cumulative impacts of the project are addressed, as are the impacts of project alternatives.

◆ Aesthetics/Light and Glare

The proposed project will improve the aesthetics of the area by replacing three 40-foot high fuel storage tanks with lower profile, modern, and more attractive structures together with perimeter landscaping and an eight-foot high block wall. The new structures include variations in form, building details, colors, and materials to create visual interest. The design is carried throughout all the structures, including the architectural screen for the various tanks, for a cohesive appearance. To provide a unified appearance, a 10-foot wide planter with an eight-foot high block wall will be provided along the project's street frontage consistent with the wall design approved for the AES generating station. A mitigation measure is recommended to require all exterior mechanical equipment to be screened from view to so as not to detract from the appearance of the area.

The project will also introduce new lighting sources within the project area as well as a minimal amount of additional reflective surfaces on proposed structures. Glare effects from the proposed structures are deemed relatively minor compared to the existing levels in the vicinity. With implementation of standard conditions of approval and a mitigation measure to prevent light spillage across property lines and utilizing minimum light levels for safety, the effects of increased light and glare will be less than significant.

◆ Air Quality

The long-term on-site and off-site air emissions for the proposed project were modeled as recommended by the South Coast Air Quality Management District (SCAQMD). The results indicate that long-term impacts would not exceed any SCAQMD thresholds and are not anticipated to be significant. The off-site emissions resulting from the production of electricity to operate the desalination plant were also considered. Based on the expected power consumption for the plant, the project may create regional impacts in regards to air quality. However, it would be speculative to quantify such emissions as the electricity used by the project will come from a regional power supply grid. Given that the project conforms to the General Plan and zoning designations, impacts in this regard have been accounted for in local and regional planning documents. Moreover, the project will be subject to review by the SCAQMD for consistency with regional air quality plans. Based on this no mitigation measures were included. Short-term air quality impacts are discussed under the Construction Related Impacts section.

◆ Construction Related Impacts

Air quality impacts during construction include fugitive dust and exhaust emissions from construction and motor vehicles. Recommended mitigation measures to address these impacts include requiring watering of the site and using low-sulfur diesel fuel. However, short-term impacts relating to carbon monoxide, reactive organic gases, and nitrogen oxides emissions from construction equipment, particularly during the hauling of materials off-site, exceed SCAQMD thresholds and are considered an unavoidable significant impact because they cannot be mitigated.

The project will also generate noise impacts during the construction process from remediation, demolition, and construction activities as a result of power tools, jackhammers, pile drivers, truck trips, etc. Mitigation measures are recommended that require equipment to be muffled, the prohibition of unnecessary idling of equipment, compliance with construction hours in the Noise Ordinance, and adoption of a truck route that is least disruptive to sensitive receptors.

During construction, construction equipment and high levels of truck traffic may adversely impact the area. Mitigation measures are recommended that require fencing the construction site and locating equipment storage, stockpiling, and construction activities away from residential areas to the greatest extent feasible. Construction of the water transmission line will cause temporary disruption to area streets. Traffic impacts during construction will be addressed by several mitigation measures which require submittal of a Traffic Management Plan and a construction vehicle routing plan, among others.

Impacts from potential exposure to hazardous materials during the construction process will be addressed through compliance with existing federal, state, and local regulations as well mitigation measures which require, among others, the approval of a Remedial Action Plan and compliance with requirements for the proper handling and disposal of hazardous materials.

The project is anticipated to create water quality impacts during excavation, grading, and construction through the discharge of dust or sediment laden runoff. Several mitigation measures are proposed to address this issue including a requirement for submittal of an erosion control plan and a Storm Water Pollution Prevention Plan.

Construction of the underground booster pump in an area within unincorporated Orange County as well as the desalination plant in Huntington Beach may have impacts to biological resources by disrupting their habitat. The EIR identifies mitigation measures to address these impacts which require the completion of various biological resource surveys pursuant to the requirements of the appropriate federal and state agencies. Any potential impacts to cultural resources are addressed by mitigation measures to implement a paleontological resource recovery program as well as a requirement to halt any construction upon discovery of any historic/archaeological resources until an archaeologist can be consulted. Construction of the booster pump will require permits from the County.

◆ Geology/Soils/Seismicity

The EIR includes an analysis of existing topography, geology, seismicity, and liquefaction conditions at the project site and analyzes the potential environmental effects of the project. In addition, this section describes potential impacts from landslides, tsunamis, and seiche waves. The EIR includes recommended mitigation measures to address potential impacts. The mitigation measures require design level geotechnical reports to minimize or avoid impacts related to compressible materials, lateral spreading, liquefaction potential, ground shaking, and flood control bank stability. Also, complete removal and recompaction of compressible soils or use of piles and grade beams to support on-site structures will be required. To address seismic impacts, a mitigation measure is recommended to require special studies and subsurface investigation to determine fault rupture potential of South Branch fault which underlies the site.

Potential impacts from tsunamis and seiche waves are anticipated to be less than significant given that previous evaluations noted in the General Plan put the tsunami potential for the city at very low. Additionally, the existing concrete berm along the perimeter of the site provides additional protection from any potential waves that might impact the site.

◆ Hazards and Hazardous Materials

The EIR states that the project is expected to have a beneficial impact by facilitating the remediation of contamination surrounding the fuel storage tanks and distillate fuel tank. In addition, demolition of the tanks would also abate any asbestos and lead paint on the structures. The operation of the plant involves the use of hazardous materials with: 1) periodic cleaning of the reverse osmosis membranes which filter impurities from seawater; 2) treatment of potable product water; and 3) storage of diesel fuel for emergency back electricity generators at the off-site underground booster pump stations. The materials to be used are described in detail in the EIR, Section 4.8.

The project will incorporate leak and containment measures to minimize any risk to employees and the surroundings. All chemicals will be stored in concrete containment structures with a 100 percent spill containment capacity. The transportation of chemicals to the desalination plant will be conducted by registered haulers and is required to comply with all Caltrans regulations. The plant is also required to develop hazardous waste management and safety plans pursuant to Occupational Health and Safety Association (OSHA) and US Environmental Protection Agency (EPA) requirements. The Fire Department will require the applicant to submit a complete chemical inventory including a use, storage, and handling plan prepared by a qualified professional. The EIR concludes that project design implementation and compliance with existing requirements reduce anticipated impacts to less than significant.

◆ Hydrology and Water Quality

The project's hydrology and water quality impacts are proposed to be addressed by mitigation measures that require the preparation of a Water Quality Management Plan (WQMP) which will identify Best Management Practices (BMPs), the submittal of a site-specific hydrology and hydraulic analysis, and the installation of an on-site drainage system subject to the approval of the Public Works Department. Concerns about the quality of the product water will be addressed by compliance with California Department of Health Services requirements. The EIR concludes that the project will impact water quality in the long term by increasing runoff from impervious surfaces. An on-site local storm water drainage system would be implemented with the project and the storm water will be discharged into the ocean via the AES outfall. Through the use of appropriate mitigation, the impacts are reduced to a less than significant level.

An analysis of the potential impacts to the source water from the Pacific Ocean was also conducted. The computer model concluded that under the worst-case scenario during an El Nino winter and with the AES facility pumping the maximum amount of cooling water, water drawn into the intake would be comprised of 0.001 percent water from the Santa Ana River and Talbert Marsh. The study also concludes that dry weather runoff from the Talbert Marsh under the worst-case scenario is released into the surf zone and onshore waves keep the marsh water in the shallow near shore waters. In contrast, the AES intake is 2,292 feet offshore in 34 feet of water. The model further concludes that under the worst-case scenario the Orange County Sanitation District discharge would be diluted 10 million to one at the AES intake. Lastly, the re-circulation of the AES outfall into the intake was also studied and under the worst-case scenario will only make up 0.1 percent of the intake water. The analysis concluded that impacts to the source water are not anticipated to be significant. Therefore, impacts are less than significant.

Potential impacts of the brine discharge to marine biology were also analyzed. The analysis concludes that, under the worst-case scenario which assumes that the AES facility has only two circulating pumps operating (one generating unit running) and that no additional mixing from natural causes such as wind or wave action would occur, a maximum of 15.6 acres of ocean floor (benthic area) and 18.3 acres of the water around the discharge (pelagic area) are expected to be exposed to water with a salinity 10 percent higher than the ambient seawater during the worst case scenario. This worst-case scenario has less than a one percent chance of occurring.

During average conditions with normal power plant operations (four circulating pumps associated with two AES generating units), typical environmental conditions, and desalination plant production of 50 mgd, a maximum of 6.5 acres of benthic area (ocean floor) and 8.3 acres of pelagic area (open seas or oceans) is expected to be exposed to water with a salinity 10 percent higher than ambient water. Average case conditions are expected to occur 50 percent of the time the desalination plant is operating. The EIR notes that a 10 percent anomaly is within the natural variability of seawater salinity and would be tolerated by most fish and planktonic species. Additionally, mobile species have the ability to avoid areas they cannot tolerate. No significant impact to local fish and planktonic populations is expected as a result of the brine discharge.

The analysis also states that benthic species will have similar salinity tolerances. However, during average conditions the salinity of the water at the ocean floor immediately around the discharge will be higher than local normal oceanic variation. This will likely lead to a replacement of the existing benthic community with estuarine species that can tolerate increased salinity and that will be functionally similar to the existing community. The analysis concluded that impacts to benthic species are not anticipated to be significant.

◆ Land Use/Relevant Planning

The EIR includes information on the existing land use characteristics of the project site and the adjacent areas relative to the desalination plant, water transmission lines, and booster pump stations. The Land Use section of the Initial Study (Appendix A) determined that the proposed project would not physically divide an established community, nor would it conflict with any applicable habitat conservation plan or natural community conservation plan. Consequently, this section addresses conformity of the proposed project with local land use plans and policies, and existing and planned land uses in the project vicinity.

The proposed project is consistent with the General Plan Land Use and zoning designations for the project site. The EIR concluded that the proposed project would be consistent with applicable goals, objectives, and policies of the Huntington Beach General Plan and Local Coastal Program. Any impacts the proposed project might create relative to air quality, aesthetics, construction, hazards and hazardous materials, and noise are addressed in the corresponding EIR sections. Given that the water transmission line and booster pump stations are underground no long-term land use impacts are expected. The EIR concluded that the proposed project would, therefore, result in a less-than-significant land use impact.

◆ Noise

The EIR examines existing ambient noise levels on-site, at nearby surrounding sensitive receptors, along the proposed water transmission line alignments, and at the booster pump station sites and evaluates the potential noise impacts resulting from implementation of the proposed project. Stationary noise sources

on-site were considered and include 36 electric water pumps and air conditioning system components. The pumps will either be operated indoors or will be provided with enclosures to dampen noise. Additionally, intervening structures such as the concrete berm and the proposed wall, together with significant setbacks, will further reduce noise. A mitigation measure is recommended which requires the applicant to submit a noise analysis prepared by a qualified acoustical consultant which identifies stationary noise sources from the project and necessary measures to assure compliance with the city's noise ordinance prior to issuance of a grading or building permit. The EIR concluded that with the mitigation measure, the potential impacts would be reduced to less than significant. The off-site booster pump stations will be placed underground to minimize potential noise impacts. Because the project will only employ up to 18 staff and will require approximately three truck deliveries per day, impacts from mobile sources are anticipated to be less than significant. Short-term noise impacts are discussed under the Construction Related Impacts section.

◆ Public Services and Utilities

The EIR includes a discussion of the existing public services and utilities available to the proposed project. Services evaluated include fire, police, schools, libraries, roadway maintenance, parks, water, wastewater, storm water, reclaimed water, solid waste, electricity, gas, telephone, and cable. All public services impacts would be less than significant after implementation of recommended mitigation measures. The recommended mitigation measures include payment of school impact fees, traffic impact fees, sewer connection fees, and water service connection fees. To address solid waste impacts, a mitigation measure is recommended which requires the submittal of a waste reduction plan.

Alternatives to the Proposed Project

CEQA requires that an EIR describe a range of reasonable alternatives to the project or its location that could feasibly attain the basic objectives of the project (see page 3-23 of the EIR), but would avoid or substantially lessen any of the significant impacts of the project. An EIR need not consider every conceivable alternative to a project; rather, it must consider a range of potentially feasible alternatives that will foster informed decision-making and public participation. An EIR should also evaluate the comparative merits of the alternatives.

Four project alternatives were selected for review. The Alternative Project Design alternative was ultimately found to be infeasible. The three remaining alternatives were further studied to identify ways to mitigate or avoid the significant environmental effects resulting from the proposed project. These three alternatives are described below.

- No Project/No Development Alternative – Maintain the project site in its current state with no development.
- Alternative Site Alternative – An alternative site for the project is located southwest of the current project site and was the proposed project site in the Initial Study. However, this option was rejected due to potentially significant impacts to AES parking, access, and operations. Several alternative locations outside Huntington Beach were also considered including the mouth of San Juan Creek in Dana Point, San Onofre, and along the coast in San Clemente. These alternatives are not being considered for various reasons including environmental concerns with a new ocean

intake/discharge system (Dana Point and San Clemente) and engineering and acquisition issues (San Onofre).

- Aboveground Product Water Storage Tank Alternative – Development of the project with an aboveground storage tank in lieu of an underground storage tank.

A summary of the three feasible project alternatives, and a comparison of environmental impacts relative to the proposed project, is presented in the table below:

Summary of Project Alternatives			
<i>Issue Area</i>	<i>No Project/No Development</i>	<i>Alternative Site</i>	<i>Aboveground Tank Option</i>
Land Use/Relevant Planning	<	N/A =>	=
Geology/Soils/Seismicity	<	</=	=
Hydrology and Water Quality	<	=>	>
Air Quality	<	=	=
Noise	<	=>	=
Public Services and Utilities	>	=	=
	(water supply)		
Aesthetics/Light and Glare	<	=>	>
Hazards and Hazardous Materials	<	</=	=
Construction Related Impacts	<	</=	<
Legend:			
= Impact is equivalent to impact of proposed project (neither environmentally superior or inferior)			
< Impact is less than impact of proposed project (environmentally superior)			
> Impact is greater than impact of proposed project (environmentally inferior)			

A detailed analysis of environmental impacts for these alternatives compared to the proposed project is included in Section 6.0, Alternatives To The Proposed Action, of the EIR. As discussed in Section 6.5, the No Project Alternative was determined to be the most environmentally superior alternative.

Among the other alternatives, the Aboveground Product Water Storage Tank alternative is anticipated to produce a lower amount of short-term construction related emissions as it would require less grading and excavation than the underground tank design. The Alternative Site alternative is not anticipated to significantly reduce impacts as implementation is expected to result in overall similar or greater environmental impacts.

Statement of Overriding Considerations

Environmental impacts associated with implementation of a project may not always be mitigated to a level considered less than significant. In such cases, a Statement of Overriding Considerations must be prepared prior to approval of the project, and in accordance with CEQA Guidelines Sections 15091 and 15093. Because implementation of the proposed project would create significant unavoidable impacts a Statement of Overriding Considerations is required to describe the specific reasons for approving the

project, based on information contained within the Final EIR, as well as any other information in the public record. The proposed project would result in the following significant unavoidable adverse impact:

- Air Quality
 - Short-term construction related emissions of carbon monoxide, reactive organic compounds, and nitrogen oxides

Although the project results in adverse impacts to the environment that cannot be mitigated or avoided, the Planning Commission may still approve the project if a Statement of Overriding Considerations is adopted. CEQA requires decision makers to balance the benefits of the proposed project against its unavoidable environmental risks in determining whether to approve the project. If the benefits of a proposed project outweigh the unavoidable adverse environmental effects, the City may consider the adverse environmental effects acceptable. In this particular case, staff believes the social, economic, and ecosystem/biological resources benefits of the proposed project outweigh the adverse impacts to air quality during the construction process.

Errata

Section 3.0 of the Response to Comments outlines the changes to the Draft EIR (see Attachment No. 4). The changes consist of additional information on the required improvements along Edison Avenue, a discussion of the relevance of the Southern California Association of Governments' Regional Comprehensive Plan and Guide, and the addition and modification of a few mitigation measures in response to the comments received on the Draft EIR. In addition, it also includes other minor clarifications to the text.

Public Comments

As mentioned above, the Draft EIR was circulated to the public for review and all interested parties, property owners, and occupants within three hundred feet of the site were notified of the document's availability. The public and responsible agencies were therefore able to review the document and submit comments within the forty-five day public comment period. The 21 written comments received from the public have been responded to in the Response to Comments (see Attachment No. 2) of the EIR. The comments covered a wide spectrum of issues and concerns including but not limited to: impacts to biological resources, impacts to water quality and marine biology, geologic hazards, growth inducing impacts, cumulative impacts, and impacts to the water supply/quality and distribution system. One follow up letter dated May 8, 2003 was received from the Coastal Commission (see Attachment No. 5). Any further written communication received subsequent to the preparation of the staff report as well as a response to the Coastal Commission letter will be forwarded to the Planning Commission under separate cover.

SUMMARY:

Environmental Impact Report No. 00-02 serves as an informational document with the sole purpose of identifying potential environmental impacts associated with the Poseidon desalination plant project, alternatives that minimize those impacts, and appropriate mitigation measures.

Staff recommends that the Planning Commission certify EIR No. 00-02 because:

- The EIR adequately addresses the environmental impacts associated with the proposed project; and
- Identifies project alternatives and mitigation measures to lessen the project's impacts consistent with General Plan policies.

ATTACHMENTS:

1. Resolution No. 1581 (Final EIR No. 00-02)
2. Final EIR No. 00-02 including Response to Comments (**under separate cover – not attached**)
3. Technical Appendices EIR No. 00-02 (**under separate cover – not attached**)
4. Errata pages to Final EIR
5. Coastal Commission letter dated May 8, 2003

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